

File No. 141163

Committee Item No. 2

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use & Development

Date Nov. 24, 2014

Board of Supervisors Meeting

Date _____

Cmte Board

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|-------------------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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Completed by: Andrea Ausberry Date Nov. 20, 2014

Completed by: _____ Date _____

1 [Approval to Grant Easement for Installation of Subsurface Tiebacks and Related Surface
2 Access - TUP Folsom, LLC - 923 Folsom Street Development Project]

3 **Resolution approving the grant of an Easement for installation of subsurface tiebacks**
4 **and related surface access on Assessor's Parcel Block No. 3753, Lot No. 313, to TUP**
5 **Folsom, LLC, in connection with construction of the residential development project at**
6 **923 Folsom Street; making environmental findings, and adopting findings that the**
7 **grant of easement is consistent with the General Plan, and the eight priority policies of**
8 **Planning Code, Section 101.1; and authorizing the Director of Property to execute**
9 **documents, make certain modifications, and take certain actions in furtherance of this**
10 **Resolution as defined.**

11
12 WHEREAS, TUP Folsom, LLC, the project sponsor, ("Grantee") proposes to demolish
13 the existing three-story commercial office building and surface parking lot located 923 Folsom
14 Street (Assessor's Parcel Block No. 3753, Lot Nos. 106, 141, & 142) in the City and County of
15 San Francisco, and thereafter to construct a new mixed use development on the site
16 consisting of a nine-story residential building fronting Folsom Street and a four-story building
17 fronting Shipley Street with a total of up to 114 dwelling units, approximately 1,559 square feet
18 of commercial space, and a below-grade parking garage; and

19 WHEREAS, In order to prevent cave-in of the surrounding soils around the perimeter of
20 the construction excavation site, a shoring system using soldier beams and soil cement wall
21 will be built and tiebacks will be drilled through the shoring walls and anchored into the soil of
22 adjacent properties; and

23 WHEREAS, Grantee will acquire an easement to place subsurface tiebacks and
24 conduct related minor surface access ("Easement") on the Property owned in fee by the City
25

1 and County of San Francisco ("Grantor" or "City") and under the jurisdiction of the San
2 Francisco Fire Department ("SFFD"); and

3 WHEREAS, Grantee will pay City \$1,500 for the Easement and up to \$5,100 for
4 reimbursement of reasonable fees in connection with preparation and review of Grant of
5 Easement and Agreement ("Easement Agreement"); and

6 WHEREAS, Said compensation from Grantee is determined to be reflective of fair
7 market value; and

8 WHEREAS, The Property is presently improved with a two-story fire station and
9 surface parking lot; and

10 WHEREAS, The City Planning Department analyzed the project and adopted findings
11 pursuant to the California Environment Quality Act, California Public Resources Code, Section
12 21000 et seq. ("CEQA"), particularly Section 21083.3, the Guidelines for Implementation of
13 CEQA, 14 California Code of Regulations, Section 15000 et seq. ("Guidelines"), particularly
14 Section 15183 and Chapter 31 of the Administrative Code through Planning Commission
15 Motion 19205 on July 24, 2014; a copy of said Motion is on file with the Clerk of the Board of
16 Supervisors in File No. 141163 and is incorporated herein by reference; and

17 WHEREAS, The Director of Planning, by letter dated September 24, 2014, found that
18 the grant of easement is consistent with the City's General Plan, and with the eight priority
19 policies of Planning Code, Section 101.1, which letter is on file with the Clerk of the Board of
20 Supervisors under File No. 141163, and which letter is incorporated herein by this reference;
21 and

22 WHEREAS, A copy of the Easement Agreement between the City and TUP Folsom,
23 LLC is on file with the Clerk of the Board of Supervisors in File No. 141163, which is
24 incorporated herein by this reference; now, therefore, be it
25

1 RESOLVED, That in accordance with the recommendation of the Director of Property,
2 the Board of Supervisors hereby approves the Easement Agreement and the transaction
3 contemplated thereby in substantially the form of such Easement Agreement presented to this
4 Board; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
6 Property to enter into any additions, amendments or other modifications to the Easement
7 Agreement (including, without limitation, the attached exhibits) that the Director of Property
8 determines are in the best interest of the City, that do not materially increase the obligations
9 or liabilities of the City, and are necessary or advisable to complete the transactions
10 contemplated in the Easement Agreement and effectuate the purpose and intent of this
11 Resolution, such determination to be conclusively evidenced by the execution and delivery by
12 the Director of Property of the Easement Agreement and any amendments thereto; and, be it

13 FURTHER RESOLVED, That the Director of Property is hereby authorized and urged,
14 in the name and on behalf of the City and County, to deliver the deed to the easement to the
15 Grantee pursuant to the terms and conditions of the Easement Agreement, and to take any
16 and all steps (including, but not limited to, the execution and delivery of any and all
17 certificates, agreements, notices, escrow instructions, closing documents and other
18 instruments or documents) as the Director of Property deems necessary or appropriate in
19 order to consummate the transaction pursuant to the Easement Agreement, or to otherwise
20 effectuate the purpose and intent of this Resolution, such determination to be conclusively
21 evidenced by the execution and delivery by the Director of Property of any such documents;
22 and, be it

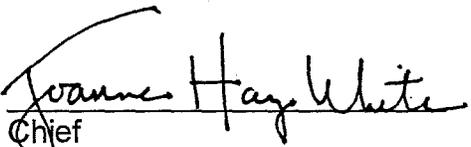
23 FURTHER RESOLVED, All actions heretofore taken by the Director of Property with
24 respect to the matters addressed in this Resolution are hereby approved, confirmed and
25 ratified; and be it

1 FURTHER RESOLVED, That within 30 days of the Easement Agreement being fully
2 executed by all parties the Director of Property shall provide a copy of the Easement
3 Agreement to the Clerk of the Board for inclusion in the official file.
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7 RECOMMENDED:

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12 Director of Property
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14 RECOMMENDED:

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17 Chief
18 San Francisco Fire Department
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11/06/2014

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>	
Name of City elective officer(s): Members, Board of Supervisors	City elective office(s) held: Members, Board of Supervisors

Contractor Information <i>(Please print clearly.)</i>
Name of contractor: Cahill Contractors, Inc.

Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.

Name	Position	Years w/ Co.	% Ownership
John E. Cahill, Jr. (Jay)	Chairman & CEO	39	80%
Charles J. Lochtefeld	Vice Chairman	28	-
Charles L. Palley	President	26	-
Gerald Cahill	Director	39	14.546%
William Cahill	Director	39	5.45%
Michael A. Grant	CFO & Secretary	3.8	-

Contractor address: 425 California Street, Suite 2200; San Francisco, CA 94104

Date that contract was approved: <i>Subject to approve by SF Board of Supervisors and Mayor</i>	Amount of contract: Not to exceed \$7,600
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Describe the nature of the contract that was approved: Construction of new Type I concrete nine-story building and four-story building over one-story below grade parking garage.

Comments:

This contract was approved by (check applicable):

the City elective officer(s) identified on this form

a board on which the City elective officer(s) serves: San Francisco Board of Supervisors
Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Angela Calvillo, Clerk of the Board	Contact telephone number: (415) 554-5184
Address: City Hall, Room 244, 1 Dr. Carlton B. Goodlett Pl., San Francisco, CA 94102	E-mail: Board.of.Supervisors@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed

FORM SFEC-126:
NOTIFICATION OF CONTRACT APPROVAL
(S.F. Campaign and Governmental Conduct Code § 1.126)

City Elective Officer Information <i>(Please print clearly.)</i>			
Name of City elective officer(s): Mayor Edwin M. Lee	City elective office(s) held: Mayor, City and County of San Francisco		
Contractor Information <i>(Please print clearly.)</i>			
Name of contractor: Cahill Contractors, Inc.			
<i>Please list the names of (1) members of the contractor's board of directors; (2) the contractor's chief executive officer, chief financial officer and chief operating officer; (3) any person who has an ownership of 20 percent or more in the contractor; (4) any subcontractor listed in the bid or contract; and (5) any political committee sponsored or controlled by the contractor. Use additional pages as necessary.</i>			
Name	Position	Years w/ Co.	% Ownership
John E. Cahill, Jr. (Jay)	Chairman & CEO	39	80%
Charles J. Lochtefeld	Vice Chairman	28	-
Charles L. Palley	President	26	-
Gerald Cahill	Director	39	14.546%
William Cahill	Director	39	5.45%
Michael A. Grant	CFO & Secretary	3.8	-
Contractor address: 425 California Street, Suite 2200; San Francisco, CA 94104			
Date that contract was approved: <i>Subject to Board of Supervisors and Mayor's approval</i>		Amount of contract: Not to exceed \$7,600	
Describe the nature of the contract that was approved: Construction of new Type I concrete nine-story building and four-story building over one-story below grade parking garage.			
Comments:			

This contract was approved by (check applicable):

the City elective officer(s) identified on this form (Mayor Edwin M. Lee)

a board on which the City elective officer(s) serves

Print Name of Board

the board of a state agency (Health Authority, Housing Authority Commission, Industrial Development Authority Board, Parking Authority, Redevelopment Agency Commission, Relocation Appeals Board, Treasure Island Development Authority) on which an appointee of the City elective officer(s) identified on this form sits

Print Name of Board

Filer Information <i>(Please print clearly.)</i>	
Name of filer: Jason Elliott, Mayor's Liaison to the Board of Supervisors	Contact telephone number: (415) 554-5105
Address: City Hall, Room 200	E-mail: Jason.elliott@sfgov.org

Signature of City Elective Officer (if submitted by City elective officer)

Date Signed

Signature of Board Secretary or Clerk (if submitted by Board Secretary or Clerk)

Date Signed



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator

John Updike
Director of Real Estate

November 7, 2014

Through Naomi Kelly,
City Administrator

Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2014 NOV 10 AM 11:42

Re: Grant of Easement and Agreement – 925-945 Folsom Street

Dear Board Members:

Attached for your consideration is a Resolution authorizing the grant of easement for installation of subsurface tiebacks and related surface access on Assessor’s Parcel Number, Block 3753, Lot 313, and also known as Fire Station No. 1 located at 925-945 Folsom Street (the “Property”).

TUP Folsom, LLC, (the “Grantee”) is proposing to construct a new mixed use development on 923 Folsom Street in the City and County of San Francisco. The development consists of a nine-story residential building fronting Folsom Street and a four-story building fronting Shipley Street with a total of up to 114 dwelling units, approximately 1,559 square feet of commercial space and a below-grade parking garage. In order to prevent cave-in of the surrounding soils around the perimeter of the construction excavation site, a shoring system using soldier beams and soil cement wall will be built and tiebacks will be drilled through the shoring walls and anchored into soil of adjacent properties.

Grantee proposes to acquire an easement to place subsurface tiebacks and conduct related minor surface access on the Property owned by the City and County of San Francisco (the “Grantor”) and under the jurisdiction of the San Francisco Fire Department. Grantee will pay Grantor \$1,500 for the Easement and up to \$5,100 for reimbursement of reasonable fees in connection with preparation and review of Easement Agreement.

In addition to the Resolution, enclosed are:

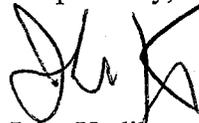
1. Grant of Easement and Agreement

141163

2. City Planning's letter dated September 24, 2014 stating that the proposed easement acquisition is consistent with City's General Plan.

We recommend approval of the proposed Easement Agreement. If you have any questions regarding this matter, please contact Marta Bayol at 554-9865.

Respectfully,



John Updike
Director of Real Estate

cc: Assistant Deputy Chief
Ken Lombardi, SFFD

RECORDED AT REQUEST OF
AND WHEN RECORDED MAIL TO:

GRANT OF EASEMENT AND AGREEMENT

(Assessor's Parcel Nos. 106, 141, 142 & 313, Block 3753)

THIS GRANT OF EASEMENT AND AGREEMENT (this "**Agreement**") is made as of _____, 2014, by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**" or "**Grantor**"), and TUP Folsom LLC, a California limited liability company ("**Grantee**").

RECITALS:

This Agreement is made with reference to the following facts, understandings and intentions:

A. Grantor is the fee title owner of certain real property commonly known as 925-945 Folsom Street, located at the southwest corner of Folsom and Falmouth Streets, as shown and described on Exhibit A attached hereto (the "**Property**"). The Property is in the jurisdiction of the San Francisco Fire Department ("**SFFD**"). The Property is presently improved with a two-story fire station and surface parking lot (the "**Improvements**").

B. Grantee owns the real property commonly known as 923 Folsom Street, more particularly shown and described on Exhibit B attached hereto (the "**Grantee Property**"). The Grantee Property is presently improved with a three-story commercial office building and surface parking lot.

C. Grantee intends to excavate on the Grantee Property (the "**Excavation**") commencing on or after December 1, 2014, and thereafter to construct on the Grantee Property a new mixed use development containing approximately 121 dwelling units and ground-floor retail space within two buildings reaching heights of 45 feet and 85 feet over a below-grade parking garage (the "**New Buildings**"). To prevent cave-in of the soils around the perimeter of the construction pit during the Excavation, a shoring system using soldier beams, soil cement wall and tiebacks will be built. The tiebacks ("**Shoring System**") will be drilled diagonally through the soil cement wall and into the soils of the Property and other neighboring property.

D. Pursuant to Section 832(4) of the California Civil Code, Grantee has requested Grantor's permission to install and maintain tiebacks and soldier beams beneath the surface of the Property as a component of the supporting systems to be employed to protect the Property in connection with the Excavation, which permission Grantor is willing to grant on the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and agreements of the parties herein contained, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby agree as follows:

1. Grant of Easement to Perform Shoring Work. Subject to the terms, conditions and restrictions set forth in this Agreement, Grantor hereby quitclaims to Grantee and Grantee hereby accepts, an easement to enter upon the Property for the limited purpose of performing the shoring work described herein and any related cleanup or deconstruction work (the “**Easement**”), subject to Grantee’s compliance with the terms of this Agreement. Throughout the Work, as defined below, Grantee shall make good faith efforts to coordinate its activities with the SFFD in order to minimize the potential for disruption at the Property, and shall not undertake any activities that could obstruct or block the Property’s fire station doors. The Easement shall include sub-surface access through the Property for the installation and maintenance of Shoring System at the approximate locations shown on the plan attached to this Agreement as Exhibit C (the “**Work Plan**”), all at Grantee’s sole cost and expense. The work shown on the Work Plan, any related cleanup or deconstruction work, and any other work or improvements contemplated in or required by this Agreement shall be referred to herein as the “**Work.**” The depth of the Shoring System installed on the Property shall vary from approximately 33 feet below the surface to approximately 37 feet below the surface. The steel soldier beams at the Property line will be cut off and removed 1.5 feet below grade at sidewalks, parking lots and non-improved areas. All tiebacks will be left in place and released/detensioned after completion of the Work to Grantor’s reasonable satisfaction. Grantee shall have no right hereunder to install on the Property any material or improvements other than the tiebacks and soldier beams at the Property line. Grantee shall also have a limited right of access to enter on the surface of the Property as specifically set forth in Sections 1.1. and 1.2 below.

1.1 Surface Access. During the construction period for new building, the Easement shall include a limited right of access over the surface of the Property as reasonably necessary to allow Grantee to (a) conduct pre-construction survey activities in accordance with Section 4, below, and periodic monitoring activities during the completion of the Work to assess whether settlement is occurring on the Property in accordance with Section 5, below; and (b) complete the earth retention system described in the Work Plan.

1.2 Crane Overswing. The Easement shall include the right for Grantee’s contractors to operate a crane over the Property, provided that any crane at all times remains at least 50 feet above the plane of the roof of any buildings located on the Property and any structures or equipment projecting above the roof of any such buildings, and further provided no loads shall be hoisted, carried, or swung over the Property. The crane shall only be permitted to pass over the vertical airspace above the Property. Grantee shall require its contractor to use due care to avoid any damage to the Property and shall require its contractor to comply with all safety requirements imposed by law, and shall maintain or cause to be maintained appropriate insurance coverage, as required by Grantor in its reasonable discretion.

1.3 Notice Required for Entry. Grantee agrees to provide no less than 48 hours' prior notice to Grantor and SFFD, when Grantee or its agents, employees, contractors or subcontractors will need access to the Property to perform any of the Work described in Section 1 of this Agreement. Grantee's notice will specify whether Grantee requires access to the interior of any buildings located on the Property or whether access will be limited to the exterior. Grantor acknowledges that Grantee will not be required to give notice of the Work described in Section 1.2, and that Grantee may be using a crane throughout the construction period.

2. Changes to Work. Except for minor changes in response to field conditions and except in the case of an emergency, Grantee shall not make material changes to the Work Plan without the prior written consent of Grantor in consultation with SFFD, which consent shall not be unreasonably withheld, delayed or conditioned.

3. Review and Written Approval; Reimbursement of Engineering and Review Costs. Grantee shall submit to Grantor, for review and written approval by Grantor in consultation with SFFD at least ten (10) business days prior to the start of construction, a complete set of drawings and design calculations for the proposed shoring and support system that are part of the Work. Grantor in consultation with SFFD shall have the right to review and approve such drawings and design calculations, in Grantor's reasonable discretion. Grantor, in consultation with SFFD shall not withhold written approval of such drawings and design calculations, so long as such items are substantially consistent with the approach described in the Work Plan. Grantee shall pay to Grantor all actual and reasonable fees incurred by Grantor for all engineering and field work in reviewing Grantee's drawings and design calculations for the shoring and support system. Written approval of such drawings and design calculations are for the purpose of determining whether the shoring and support system and activities related thereto will interfere with Grantor's or SFFD's day-to-day use and operations on the Property, and not for determining the adequacy of the shoring and support system for the New Buildings. Grantee shall have the exclusive responsibility for the design, construction and installation of the New Buildings and the shoring and support system. In the event of a material change in the previously approved plans and specifications, Grantee shall pay all reasonable fees incurred by Grantor for an independent engineer, or another qualified engineer selected by Grantor, to review such revised plans and specifications for the Work. Grantor shall submit invoices to Grantee showing the itemized cost of and a general description of the services performed no later than one hundred eighty (180) days after the service was performed.

4. Pre-Condition Survey; As-Built Drawings. Prior to the commencement of Work, Grantee shall prepare a thorough pre-condition survey with photographs to establish the condition of the surface of the Property and any improvements on the Property. At least ten (10) business days prior to the start of construction of the Work, Grantee shall furnish copies of all photographs of the Property as Grantor, in consultation with SFFD, deems necessary to show the original condition thereof. Construction of the Work shall not commence until the Grantor, in consultation with SFFD, has reviewed the pre-construction survey and certified in writing that the materials have been completed to their reasonable satisfaction. Promptly upon completion of the installation of Shoring System, Grantee shall furnish City's Director of Public Works, the City and County Surveyor, and SFFD's Assistant

Deputy Chief with a complete copy of accurate and complete final as-built drawings for the Shoring System showing, in detail, the locations and depths of the Shoring System.

5. Monitoring Activities. Grantee shall, at its sole cost and expense, pay for the costs of monitoring the Property for settlement and movement during the Work. Prior to commencement of the Work, Grantee shall install vibration monitors on the Property. Beginning at commencement of the Work and continuing until the New Building has been developed up to street grade, Grantee shall monitor the Property for vibration consistent with manufacturer recommendations, but in no case less frequently than once per week. During the same period, Grantee shall also monitor the Property for line and level at least once per week in order to determine whether any movement has occurred. Grantor and SFFD agree to cooperate with Grantee and allow Grantee reasonable access onto the Property to conduct the monitoring activities as described herein. Grantee shall make the results of all such monitoring activities available upon the request to the Grantor and/or SFFD. Upon completion of the Work, Grantee will remove any monitoring equipment installed and repair any damage related to or caused by the Work to property at Grantee's sole cost.

6. Insurance. Grantee shall cause its general contractor to obtain and maintain a policy of liability insurance covering bodily injury and property damage liability arising out of the Work and the Excavation, as provided in the statement of general insurance requirements provided in Exhibit D. Grantee shall provide Grantor with satisfactory evidence of such coverage prior to commencement of the Work.

7. Compliance with Laws. Grantee will conduct and cause to be conducted all Work in a safe and prudent manner and in compliance with all laws, regulations, codes, ordinances, and orders of any governmental or other regulatory entity, whether presently in effect or subsequently adopted and whether or not in the contemplation of the parties. Grantee has obtained from applicable regulatory agencies all permits, licenses, and approvals required for the New Building, the Excavation and the Work (collectively, the "Approvals") and agrees to maintain in force at all times during its use of the Property, any and all Approvals necessary to conduct the Excavation and Work.

8. Indemnity. Grantee shall hold harmless, defend and indemnify Grantor and SFFD, their respective officers, agents, employees and contractors, and each of them (collectively, the "**Indemnitees**"), from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages and liabilities of any kind (including, without limitation, reasonable attorneys' fees) resulting from or relating to this Agreement or any act or omission of Grantee or physical damage to the Property or any Improvements on the Property, to the extent caused by the Work or the Excavation. It is the express intent of the parties that Grantee will indemnify and hold harmless Indemnitees from any and all claims, suits or actions arising from any cause whatsoever as set forth above regardless of the existence or degree of fault or negligence on the part of Indemnitees, Grantee, or any contractor, subcontractor or employee of any of these, except to the extent the liability was attributable to the gross negligence, willful misconduct or criminal acts of a particular Indemnitee. Without limiting the foregoing, Grantee shall, promptly after receipt of written notice from Grantor, repair any damage to the Improvements on the Property, related to or caused by the Work or the Excavation.

9. Repair of Damage. If any portion of the Property or any personal property located on or about the Property is damaged by any of the Work, Grantee will repair the damage and restore the Property or personal property to the condition in which it existed immediately before the damage. Grantee agrees to meet and confer with Grantor and SFFD, as appropriate, to determine a reasonable schedule for any required repairs.

10. Hazardous Materials.

(a) No Hazardous Materials (as defined below) shall be created, stored, used, disposed of, brought to or handled by Grantee at any time upon the Property without Grantor's prior written consent in each instance and except in compliance with all applicable laws, statutes, ordinances, rules, regulations or orders of whatever kind or nature. In conducting its operations on the Property, and in arranging for the handling, transport and disposal of any materials known (whether or not hazardous), Grantee shall at all times comply with all applicable laws, statutes, ordinances, rules, regulations or orders of whatever kind or nature and pay all costs of such compliance. Grantee shall immediately notify Grantor (at all of the Grantor notice addresses provided herein) when Grantee learns of, or has reason to believe that, a release of Hazardous Materials has occurred in, on or about the Property. The term "release" or "threatened release" when used with respect to Hazardous Materials shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing in, on, under or about the Property. Grantee shall further comply with all laws requiring notice of such releases or threatened releases to governmental agencies, and shall take all action necessary to mitigate the release or minimize the spread of contamination. In the event that Grantee or its agents or invitees cause a release of Hazardous Materials, Grantee shall, without cost to Grantor or SFFD and in accordance with all laws and regulations, return the Property to the condition existing immediately prior to the release. In connection therewith, Grantee shall afford Grantor and SFFD a full opportunity to participate in any discussion with governmental agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree or other compromise proceeding involving Hazardous Materials.

(b) Any Hazardous Materials introduced onto the Property by Grantee, its agents, employees, contractors, subcontractors or invitees, shall remain the property of Grantee, its agents, employees, contractors, subcontractors or invitees, which shall be responsible for disposing of these materials at no cost to City or any Indemnitee, and Grantee shall be obligated to defend, indemnify and hold Indemnitees harmless from any and all liability arising from it, regardless of whether such liability arises during or after the term of this Agreement, unless such liability was caused by the gross negligence or the willful misconduct of City and/or the Indemnitees. This indemnity shall not extend to liability arising from the presence of any Hazardous Materials on the Property as of the Effective Date, unless (i) such Hazardous Materials were introduced onto the Property by Grantee, its agents, employees, contractors, subcontractors or invitees, in which case this indemnity shall apply, or (ii) Hazardous Materials are present on the Property, and Grantee's handling, excavation, relocation, investigation, disposal or other exercise of control over the Easement area imposes on City or any Indemnitee new or additional liability, which City or such Indemnitee would not otherwise have incurred in the absence of Grantee's activities or project. (In the latter event, Grantee shall pay for and defend and indemnify Indemnitees from and against such additional liability to the extent of such new or additional liability.)

(c) For purposes of this Agreement, "Hazardous Materials" means material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to public health, welfare or the environment. Hazardous Materials includes, without limitation, any material or substance defined as a "hazardous substance, pollutant or contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.) or pursuant to Section 25316 of the California Health and Safety Code; a "hazardous waste" listed pursuant to Section 25140 of the California Health and Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the Property or are naturally occurring substances on the Property, and any petroleum, including, without limitation, crude oil or any fraction thereof, natural gas or natural gas liquids.

(d) It is the intention of the parties that should any term of this indemnity provision be found to be void or unenforceable, the remainder of the provision shall remain in full force and effect.

11. No Costs to Grantor. Grantee will bear all costs of any kind in connection with its use of the Property and obligations under this Agreement and Grantee shall hold harmless, indemnify and defend Grantor and SFFD from and against any mechanics' liens or other liens arising from the Work or in any way connected with Grantee's use of the Property.

12. Condition of the Easement Area. Grantor makes no representations or warranties whatsoever under this Agreement with respect to the current physical condition of the Property, including the Easement area, and Grantor, SFFD, and each successive owner or tenant of the Property or any portion thereof or interest therein shall have no responsibility under this Agreement with respect thereto, and the use of the Easement granted herein shall be with the Property in its "as is" physical condition. Grantee hereby waives any and all claims against Grantor, SFFD, and each successive owner or tenant of the Property or any portion thereof or interest therein arising from, out of or in connection with the suitability of the physical condition of the Easement area for the Shoring System.

13. Assumption of Risk/Waiver of Claims. Neither City nor SFFD nor any of their respective directors, officers, agents or employees shall be liable for any damage to the property of Grantee, its officers, agents, employees, contractors or subcontractors, or their employees, or for any bodily injury or death to such persons, resulting or arising from the condition of the Property or its use by Grantee. Grantee expressly acknowledges and agrees that Grantor would not be willing to grant the Easement in the absence of a waiver of liability for consequential damages due to the acts or omissions of City, SFFD or their respective agents, and Grantee expressly assumes the risk with respect thereto. Accordingly, without limiting any indemnification obligations of Grantee or other waivers contained in this Agreement and as a material part of the consideration for this Agreement, Grantee fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action against Indemnitees for consequential and incidental damages (including without limitation, lost profits) and covenants not to sue Indemnitees for such damages arising out of this Agreement or the uses authorized hereunder, including, without limitation, any interference with uses conducted by Grantee pursuant to this Agreement, regardless of the

cause, and whether or not due to the negligence of Grantor or SFFD, except for the gross negligence and willful misconduct of Grantor or SFFD. In connection with the foregoing releases, Grantee acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Grantee acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Grantee realizes and acknowledges that it has agreed upon this Agreement in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The releases contained herein shall survive any termination of this Agreement.

14. Condition of Shoring System; Removal of Shoring System. Grantee acknowledges and agrees that neither Grantor nor SFFD shall be responsible in any way for any of the Shoring System, either during the installation of the Shoring System or thereafter when the Work is completed. Promptly following completion of the New Buildings, Grantee shall detension any tiebacks located on the Property. In addition, Grantor may remove the Shoring System on or after the earlier of December 31, 2016 or the date on of completion of the New Buildings, to the extent necessary or desirable in connection with any construction or reconstruction on the Property. Grantor shall use reasonable efforts to give written notice to Grantee, together with a reasonably detailed description of the method of removal, prior to such removal, but Grantor shall not be required to obtain Grantee's consent to such removal.

15. Reimbursement of City Costs. Grantee has or will pay Grantor a fee in the amount of One Thousand Five Hundred and No/100 Dollars (\$1,500.00). In addition to such fee and any other payments required to be made by Grantee hereunder, Grantee shall reimburse City for all costs and expenses incurred by City in connection with this Agreement, including reasonable attorneys' fees of City's legal counsel incurred in the negotiation, preparation and performance of this Agreement and the reasonable fees or expenses of City's Department of Real Estate and Department of Public Works in reviewing this Agreement and the Work Plan and other construction documents (the "**Reimbursable Fees**"), up to a total of Five Thousand One Hundred and No/100 Dollars (\$5,100.00). Within thirty (30) days after receipt by Grantee of any written invoice from City for such Reimbursable Fees, Grantee will pay such invoiced amount directly to City, or as otherwise requested by City. If Grantee fails to make such payment within such thirty (30) day period, then (i) interest shall accrue on any delinquent amount from the date such payment becomes delinquent until paid at the rate of ten percent (10%) per annum, and (ii) City may at its sole election refuse to allow Grantee or its agents to install additional tiebacks and soldier beams in the Property until such payment is made.

16. Notices. All notices, certificates or other communications required or permitted to be given hereunder must be given in writing and must be delivered: (a) in person; (b) by U.S. Postal Service certified mail (postage prepaid, return receipt requested); or (c) by

a commercial overnight courier that guarantees next day delivery and provides a receipt. For the convenience of the parties, copies of notices given pursuant the foregoing may also be given by email to the addresses listed below or such other addresses as may be provided from time to time. Notices shall be directed as follows:

To Grantor: John Updike, Director of Property
25 Van Ness Avenue, Suite 400
San Francisco, CA 94012
Email: John.Updike@sfgov.org

with a copy to: Ken Lombardi, Assistant Deputy Chief
San Francisco Fire Department
698 2nd Street, Room 305
San Francisco, CA 94107

To Grantee: TUP Folsom LLC
c/o Trumark Urban
90 New Montgomery
San Francisco, CA 94103
Phone: (415) 757-4437
Attn: Steve Gallagher

With a copy to: Reuben, Junius & Rose, LLP
One Bush Street, Suite 600
San Francisco, CA 94104
Phone: (415) 567-9000
Attn: Melinda Sarjapur

Each party may from time to time specify a different notice address or email address for copies of notices by sending a written notice to the other party in accordance with this Section. Notices delivered in person, by certified mail or by a courier shall be effective upon delivery or refusal to accept delivery.

17. Attorneys' Fees. If either party brings an action at law or in equity to enforce or interpret or seek redress for breach of this Agreement, then the prevailing party in such action shall be entitled to its litigation expenses and reasonable attorneys' and witness fees, in addition to all other appropriate relief. For purposes of this Agreement, reasonable fees of attorneys of the Office of City Attorney shall be based on the fees regularly charged by private attorneys with an equivalent number of hours of professional experience in the subject matter area of the law for which services were rendered who practice in the City and County of San Francisco, State of California, in law firms with approximately the same number of attorneys as employed by the Office of City Attorney.

18. Default. Grantee's failure to perform any covenant or obligation of Grantee hereunder and to cure such non-performance within thirty (30) days of written notice by Grantor shall constitute a default hereunder, provided that if more than thirty (30) days are reasonably required for such cure, no event of default shall occur if Grantee commences such cure within such period and diligently prosecutes such cure to completion. Upon such default

Grantor shall be entitled to all remedies and means to cure or correct such default, both legal and equitable, allowed by operation of law.

19. Governing Law: Venue. This Agreement shall be construed and interpreted and the rights of the parties determined in accordance with the laws of the State of California. The venue with regard to any litigation arising out of this Agreement shall be the City and County of San Francisco.

20. Tropical Hardwoods and Virgin Redwoods. The City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood wood product or virgin redwood or virgin redwood wood product.

21. MacBride Principles - Northern Ireland. The City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Grantee acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

22. Integrated Agreement; Modifications. The exhibits to this Agreement are an integral part of this Agreement and are incorporated herein by reference. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all prior representations, understandings and agreements, whether written or oral. No supplement, modification or waiver of any provision of this Agreement shall be binding unless executed in writing by the party to be bound thereby.

23. Construction and Interpretation. The captions preceding the text of each section of this Agreement are included only for convenience of reference and shall be disregarded in the construction and interpretation of this Agreement. This Agreement has been fully negotiated at arms' length between the signatories hereto, after advice by counsel and other representatives chosen by such signatories, and such signatories are fully informed with respect thereto. Based on the foregoing, the provisions of this Agreement shall be construed as a whole according to their common meaning and not strictly for or against any party. Unless provided otherwise, the word "including" is used in its inclusive sense, and not in limitation. As used in this Agreement, the term "business days" means Mondays through Fridays, but excluding State and Federal Holidays.

24. Severability. If any provision contained in this Agreement becomes or is held by any court of competent jurisdiction to be invalid, the remaining provisions contained in this Agreement shall not be affected thereby.

25. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, and all of which, together, shall constitute one and the same instrument.

26. No Third Party Beneficiaries. There are no third party beneficiaries of this Agreement. No parties other than the parties expressly named herein (and their respective heirs, successors and assigns) shall have any right to enforce any provision of this Agreement.

27. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

28. Recordation. This Agreement shall be recorded in the Official Records of the City and County of San Francisco, State of California.

[No further text this page.]

IN WITNESS WHEREOF, this Agreement has been executed by and on behalf of the parties hereto, as of the day and year first above written.

GRANTOR:

CITY AND COUNTY OF SAN FRANCISCO

By: _____

Name: JOHN UPDIKE

Title: Director of Property

GRANTEE:

TUP Folsom LLC
a California limited liability company

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: _____

Deputy City Attorney

RECOMMENDED:

SAN FRANCISCO FIRE DEPARTMENT,
a political subdivision of the State of California

By: _____

Date: _____

ACKNOWLEDGMENT OF NOTARY PUBLIC

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NOTARY PUBLIC

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF PROPERTY

That certain parcel of real property in the City and County of San Francisco, State of California, described as follows:

Parcel A, as shown on that certain map entitled, "Parcel Map 6314, Being a Two Lot Subdivision of that Real Property Described in that Certain Deed Recorded March 30, 2010 in Reel K110, Image 0014", which map was filed for record in the Office of the Recorder of the City and County of San Francisco, State of California on October 31, 2012 in Book 48 of Parcel Maps, at Pages 121 - 122, inclusive.

Assessor's Lot 313; Block 3753

EXHIBIT B

DESCRIPTION OF GRANTEE PROPERTY

PARCEL ONE:

BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF SHIPLEY STREET, DISTANT THEREON 100 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF FIFTH STREET; RUNNING THENCE SOUTHWESTERLY AND ALONG SAID LINE OF SHIPLEY STREET 50 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 75 FEET; THENCE AT A RIGHT ANGLE NORTHEASTERLY 50 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 75 FEET TO THE POINT OF BEGINNING.

BEING PART OF 100 VARA BLOCK NO. 383.

PARCEL TWO:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF FOLSOM STREET, DISTANT THEREON 150 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF FIFTH STREET; AND RUNNING THENCE SOUTHWESTERLY ALONG SAID LINE OF FOLSOM STREET 75 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 165 FEET TO THE NORTHWESTERLY LINE OF SHIPLEY STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF SHIPLEY STREET 75 FEET; AND THENCE AT A RIGHT ANGLE NORTHWESTERLY 165 FEET TO THE POINT OF BEGINNING.

BEING PART OF 100 VARA BLOCK NO. 383.

PARCEL THREE:

BEGINNING AT A POINT ON THE SOUTHEASTERLY LINE OF FOLSOM STREET, DISTANT THEREON 225 FEET SOUTHWESTERLY FROM THE SOUTHWESTERLY LINE OF FIFTH STREET; RUNNING THENCE SOUTHWESTERLY AND ALONG SAID LINE OF FOLSOM STREET 50 FEET; THENCE AT A RIGHT ANGLE SOUTHEASTERLY 165 FEET TO THE NORTHWESTERLY LINE OF SHIPLEY STREET; THENCE AT A RIGHT ANGLE NORTHEASTERLY ALONG SAID LINE OF SHIPLEY STREET 50 FEET; THENCE AT A RIGHT ANGLE NORTHWESTERLY 165 FEET TO THE POINT OF BEGINNING.

BEING PART OF 100 VARA BLOCK NO. 383.

APN: Lot 106; Block 3753 (Parcel One), Lot 142; Block 3753 (Parcel Two) and Lot 141; Block 3753 (Parcel Three)

EXHIBIT C

PLANS AND SPECIFICATIONS FOR THE WORK

Attached

EXHIBIT D

GENERAL INSURANCE REQUIREMENTS

General Insurance Requirements:

- A. Licensee or their Contractor shall maintain in full force and effect, for the full period of construction and covered by the Easement, whichever is greater, the following liability insurance with the following minimum specified coverages or coverages as required by laws and regulations, whichever is greater:
 1. Worker's Compensation in statutory amount, including Employers' Liability coverage with limits not less than \$1,000,000 each accident, injury, or illness. The Worker's Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Licensee, its Contractors, its employees, agents and subcontractors.
 2. Commercial General Liability insurance with limits not less than \$40,000,000 each occurrence and in the aggregate for bodily injury and property damage, including coverage for Contractual Liability, independent contractors, Explosion, Collapse, and Underground (XCU), Personal Injury, Broadform Property Damage, products, and completed operations.
 3. Commercial Automobile Liability insurance with limits not less than \$1,000,000 each occurrence combined single limit for bodily injury and property damage, including owned, hired or non-owned vehicles, as applicable.

- B. General /Auto Liability policies shall:
 1. Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees as well as others as required by agreement.
 2. Licensee or its Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation.
 3. Licensee may choose to satisfy these requirements by implementing an Owner Controlled Insurance Program to satisfy all or any of these requirements for itself, its contractors and/or subcontractors.



SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- First Source Hiring (Admin. Code)
- Jobs Housing Linkage Program (Sec. 413)
- Child Care Requirement (Sec. 414)
- Downtown Park Fee (Sec. 412)
- Other (EN Impact Fee – Sec. 423)

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Planning Commission Motion No. 19205 HEARING DATE: JULY 24, 2014

Date: July 17, 2014
Case No.: 2012.1333X
Project Address: 923 Folsom Street
Zoning: MUR (Mixed Use Residential) Zoning District
45/85-X Height and Bulk District
Block/Lot: 3753/106, 141 and 142
Project Sponsor: Christopher Davenport
Trumark Urban
4185 Blackhawk Circle, Suite 200
Danville, CA 94506
Staff Contact: Doug Vu – (415) 575-9120
Doug.Vu@sfgov.org

ADOPTING FINDINGS RELATING TO A LARGE PROJECT AUTHORIZATION PURSUANT TO PLANNING CODE SECTION 329, TO ALLOW EXCEPTIONS TO (1) REAR YARD PURSUANT TO PLANNING CODE SECTION 134, (2) OFF-STREET PARKING PURSUANT TO PLANNING CODE SECTION 151.1, (3) OFF-STREET LOADING PURSUANT TO PLANNING CODE SECTION 152.1, AND (4) SPECIAL HEIGHT EXEMPTIONS PURSUANT TO PLANNING CODE SECTION 263, TO ALLOW CONSTRUCTION OF A NINE-STORY 85-FOOT TALL BUILDING FRONTING FOLSOM STREET, A FOUR-STORY 44-FOOT TALL BUILDING FRONTING SHIPLEY STREET WITH A COMBINED TOTAL INCLUDING UP TO 114 DWELLING UNITS, APPROXIMATELY 1,559 SQUARE FEET OF COMMERCIAL SPACE, AND UP TO 80 PARKING SPACES IN A BASEMENT LEVEL GARAGE LOCATED AT 923 FOLSOM STREET, LOTS 106, 141 AND 142 IN ASSESSOR'S BLOCK 3753; WITHIN THE MUR (MIXED USE RESIDENTIAL) DISTRICT, SOMA YOUTH AND FAMILY SPECIAL USE DISTRICT, AND AN 45/85-X HEIGHT AND BULK DISTRICT, AND ADOPTING FINDINGS UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

PREAMBLE

On May 23, 2013, Christopher Davenport of Trumark Urban (hereinafter "Project Sponsor") filed an application with the Planning Department (hereinafter "Department") for Large Project Authorization (hereinafter "Application") under Planning Code Section 329 to allow construction of a nine-story 85-foot tall building fronting Folsom Street, and a four-story 45-foot tall building fronting Shipley Street with up to 114 dwelling units, approximately 1,559 square feet of commercial space, 80 parking spaces, and

exceptions including rear yard, off-street parking, off-street loading, and special height exemptions within the MUR (Mixed Use Residential) District, SOMA Youth and Family Special Use District, and a 85/45-X Height and Bulk District.

The environmental effects of the Project were determined by the San Francisco Planning Department to have been fully reviewed under the Eastern Neighborhoods Area Plan Environmental Impact Report (hereinafter "EIR"). The EIR was prepared, circulated for public review and comment, and, at a public hearing on August 7, 2008, by Motion No. 17661, certified by the Commission as complying with the California Environmental Quality Act (Cal. Pub. Res. Code Section 21000 et seq., (hereinafter "CEQA"). The Commission has reviewed the Final EIR, which has been available for this Commission's review as well as public review.

The Eastern Neighborhoods EIR is a Program EIR. Pursuant to CEQA Guideline 15168(c)(2), if the lead agency finds that no new effects could occur or no new mitigation measures would be required of a proposed project, the agency may approve the project as being within the scope of the project covered by the program EIR, and no additional or new environmental review is required. In approving the Eastern Neighborhoods Plan, the Commission adopted CEQA Findings in its Motion No. 17661 and hereby incorporates such Findings by reference.

Additionally, State CEQA Guidelines Section 15183 provides a streamlined environmental review for projects that are consistent with the development density established by existing zoning, community plan or general plan policies for which an EIR was certified, except as might be necessary to examine whether there are project-specific effects which are peculiar to the project or its site. Section 15183 specifies that examination of environmental effects shall be limited to those effects that (a) are peculiar to the project or parcel on which the project would be located, (b) were not analyzed as significant effects in a prior EIR on the zoning action, general plan or community plan with which the project is consistent, (c) are potentially significant off-site and cumulative impacts which were not discussed in the underlying EIR, or (d) are previously identified in the EIR, but which are determined to have a more severe adverse impact than that discussed in the underlying EIR. Section 15183(c) specifies that if an impact is not peculiar to the parcel or to the proposed project, then an EIR need not be prepared for that project solely on the basis of that impact.

On June 20, 2014, the Department determined that the proposed application did not require further environmental review under Section 15183 of the CEQA Guidelines and Public Resources Code Section 21083.3. The Project is consistent with the adopted zoning controls in the Eastern Neighborhoods Area Plan and was encompassed within the analysis contained in the Eastern Neighborhoods Final EIR. Since the Eastern Neighborhoods Final EIR was finalized, there have been no substantial changes to the Eastern Neighborhoods Area Plan and no substantial changes in circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant impacts, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR. The file for this project, including the Eastern Neighborhoods Final EIR and the Community Plan Exemption certificate, is available for review at the San Francisco Planning Department, 1650 Mission Street, Suite 400, San Francisco, California.

Planning Department staff prepared a Mitigation Monitoring and Reporting Program (MMRP) setting forth mitigation measures that were identified in the Eastern Neighborhoods Plan EIR that are applicable to the project. These mitigation measures are set forth in their entirety in the MMRP attached to the draft Motion as Exhibit C.

The Planning Department, Jonas P. Ionin, is the custodian of records, located in the File for Case No. 2012.1333X at 1650 Mission Street, Fourth Floor, San Francisco, California.

On July 24, 2014, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Large Project Authorization Application No. 2012.1333X.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Large Project Authorization requested in Application No. 2012.1333X, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The project site is located on a block bound by Folsom Street to the north, Fifth Street to the east, Shipley Street to the south, and Falmouth Street to the west. The project site is irregular in shape, is comprised of three contiguous lots that total 24,438 sq. ft., has 125' of frontage along both Folsom Street, and 175' of frontage along Shipley Street. The subject lots are currently improved with an approximately 7,500 square-foot, two-story office building originally constructed in 1967 and a 20,625 sq. ft. automobile parking lot that also accommodates large charter buses. The entire frontage of the site along Folsom and Shipley Streets are surrounded by a chain-link fence, and there are four street trees within the pedestrian right-of-way along Folsom Street.
3. **Surrounding Properties and Neighborhood.** The project site is located in the East SoMa neighborhood, which is characterized by a mixture of light industrial, residential, and commercial uses. The Transbay Terminal is located approximately five blocks east of the project site, and Market Street is located three blocks to the north. The Intercontinental Hotel and Westfield San Francisco Shopping Center at 5th Street are located one and two blocks to the north, respectively, and the recently completed Mosso (previously Avant Housing) 282-unit mixed-use residential building is located across the street on the north side of Folsom Street. The project site is bordered to the east by a four-story hotel with ground-floor commercial uses along the Folsom Street frontage, and a four-story multi-family residential building along the Shipley Street frontage. To the west, the site is bordered by the City owned Fire Station 1.

Numerous public transit routes are located near the proposed project. Within a several block radius, the routes include the MUNI and BART Powell Street station, the MUNI F line, the 8A-8X-8BX, 12, 14-14L-14X, 27, 30, 45, and several other MUNI bus lines north of Market Street. Golden Gate transit and SamTrans also operate bus routes in this radius.

The Mixed Use - Residential District serves as a buffer between the higher density, predominantly commercial area of Yerba Buena Center to the east and the lower scale, mixed use service/industrial and housing area west of Sixth Street. The MUR serves as a major housing opportunity area within the eastern portion of the South of Market. The district controls are intended to facilitate the development of high-density, mid-rise housing, including family-sized housing and residential hotels. The district is also designed to encourage the expansion of retail, business service, and commercial and cultural arts activities. Continuous ground floor commercial frontage with pedestrian-oriented retail activities along major thoroughfares is encouraged. Hotels, nighttime entertainment, movie theaters, adult entertainment and heavy industrial uses are not permitted.

4. **Project Description.** The proposed project includes demolition of the existing structure and new construction of a mixed-use project consisting of a nine-story 85-foot tall building fronting Folsom Street, and a four-story 44-foot tall building fronting Shipley Street. The buildings will be connected via a ground floor corridor along the western boundary of the project, have a total area of 138,980 gross square feet, and will include a total of up to 114 dwelling units, approximately 1,560 square feet of commercial space, and share a basement-level garage that will contain up to 80 off-street parking spaces (including stackers) and 114 Class 1 and eight Class 2 bicycle parking spaces.

The Folsom Street façade will include a ground floor that contains a storefront entrance to the commercial space, a residential lobby, and eight stories of residential use above. The Shipley Street façade includes four stories of residential use, including four townhouse units at the ground floor that directly access the street. The project includes a dwelling unit mix consisting of eight studios, 59 one-bedroom units, and 47 two-bedroom units. Open space for the dwelling units is provided through private balconies, a 5,670 square feet mid-block courtyard, and an 8,770 square feet roof deck atop the building fronting Shipley Street. A second pedestrian access to the residential uses is provided via a Shipley Street entrance, and vehicular access to the basement-level garage will be provided via a ramp off Shipley Street.

5. **Public Comment.** The Department has received 25 letters and 110 signatures in support of the Project, and one correspondence in opposition.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:
 - A. **Use.** Planning Code Section 841.09 identifies a minimum residential to non-residential ratio of at least 3 to 1, whereas dwelling units and retail sales and services are principally permitted pursuant to Planning Code Sections 841.20 and 841.45, respectively.

The Project includes 1,559 sq. ft. of non-residential use on the ground floor of the building that fronts Folsom Streets, and 118,420 sq. ft. of residential use on every floor of both buildings that front Folsom and Shipley Streets, resulting in a residential to non-residential ratio well above 3 to 1.

- B. **Rear Yard.** Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth beginning at the lowest story containing a dwelling unit.

The Project does not comply with the rear yard requirement and is seeking an exception as part of the Large Project Authorization (See discussion below).

- C. **Residential Open Space.** Planning Code Section 135 requires that usable open space be located on the same lot as the dwelling units it serves. At least 80 sq. ft. of usable open space per dwelling unit, or 54 sq. ft. per dwelling unit of publicly accessible open space, is required. Up to 50 percent of the publicly accessible open space may be provided off-site. The Project has a residential open space requirement of 9,120 sq. ft. of usable open space if private, or 6,156 sq. ft. of publicly accessible open space.

The Project includes an 8,773 sq. ft. roof deck atop the building that fronts Shipley Street, and also includes nine private decks totaling 351 sq. ft. that meet the dimensional requirements of the Planning Code for usable open space, for a total of 9,124 sq. ft., which exceeds the minimum usable open space requirement.

- D. **Commercial Open Space.** Planning Code Section 135.3 requires usable open space for uses other than dwelling units. For retail use, one square foot per 250 sq. ft. of occupied floor area of usable open space is required. In Eastern Neighborhoods Mixed Use Districts, this open space requirement may be satisfied through payment of a fee of \$87.84 for each sq. ft. of usable square footage not provided pursuant to this Code section.

The Project is required to provide at least eight sq. ft. of commercial open space, and will comply with this Code section by submitting a payment of approximately \$702.72 prior to the issuance of the first site permit or building permit.

- E. **Streetscape and Pedestrian Improvements.** Planning Code Section 138.1 requires improvement of the public right-of-way associated with development projects that includes the installation of one street tree (minimum of 24-inch box) for every twenty feet of frontage of the property along each street or public alley, with any remaining fraction of ten feet or more of frontage requiring an additional tree. Planning Code Section 138.1 also requires streetscape and pedestrian elements in conformance with the Better Streets Plan when a project is on a lot that is greater than ½-acre in total area and the project includes new construction.

The Project will include nine trees along the Shipley Street frontage and six trees along the Folsom Street frontage, which complies with this Code section. Since the Project will be located on three current lots that total 0.56 acres), a streetscape plan was submitted and will be reviewed by the Planning Department for compliance with the Better Streets Plan.

- F. **Bird-Safe Standards.** Planning Code Section 139 outlines bird-safe standards for new construction to reduce bird mortality from circumstances that are known to pose a high risk to birds and are considered to be "bird hazards." Feature-related hazards may create increased risk to birds and need to be mitigated. The project site is not located within an urban bird refuge.

The Project meets the requirements of Planning Code Section 139 and does not contain any feature-related hazards such as free-standing glass walls, wind barriers, or balconies that have unbroken glazed segments 24 square feet or larger in size.

- G. **Dwelling Unit Exposure.** Planning Code Section 140 requires dwelling units to have at least one window facing a street or alley, a Code-complying rear yard, open space or inner court.

All proposed dwelling units enjoy ample light and air by facing either Folsom or Shipley Streets, or the proposed mid-block court yard that meets the dimensional and square footage requirements for dwelling unit exposure.

- H. **Street Frontages.** Planning Code Section 145.1 requires the following for street frontages in Eastern Neighborhood Mixed Use Districts: (1) not more than 1/3 the width of the building facing the street may be devoted to ingress/egress to parking; (2) off-street parking at street grade must be set back at least 25 feet; (3) "active" use shall be provided within the first 25 feet of building depth at the ground floor; (4) ground floor non-residential uses in UMU zoning district shall have a floor-to-floor height of 17-feet; (5) frontages with active uses shall be fenestrated with transparent windows; and, (6) decorative railings or grillwork placed in front of or behind ground floor windows, shall be at least 75 percent open to perpendicular views.

The Project meets the requirements of Section 145.1 by (1) providing an approximately 20' wide garage opening along Shipley Street that is less than 1/3 the width of the approximately 175' wide building; (2) providing off-street parking that is entirely below grade; (3) incorporating an active commercial space and a residential lobby within the first 25' of the building depth at the ground floor along Folsom Street, and residential units with stoops along Shipley Street; (4) providing a floor-to-floor ground floor height of 18'-8" for the commercial frontage; and (5) providing transparent windows at the ground floor active use.

- I. **Shadow.** Planning Code Section 147 requires reduction of substantial shadow impacts on public plazas and other publicly accessible spaces other than those protected under Planning Code Section 295. Section 295 restricts new shadow, cast by structures exceeding a height of 40 feet, upon property under the jurisdiction of the Recreation and Park Commission.

The Shadow Analysis conducted for the Project indicates that the Project will not cast shadow upon any existing Public, Publicly Accessible or Publicly Financed or Subsidized Open Space.

- J. **Off-Street Parking.** Planning Section 151.1 allows for the provision of up to three parking spaces for each four dwelling units, subject to the requirements of Sections 151.1(g) below. No additional parking is permitted above these amounts.

The Project proposes a parking ratio of 0.68 and is seeking an exception as part of the Large Project Authorization (See discussion below).

- K. **Off-Street Loading.** Planning Code Section 152.1 requires one off-street freight loading space for a residential use in the Eastern Neighborhoods Mixed Use Districts when the gross floor area is more than 100,000 square feet and up to 200,000 square feet.

The Project proposes an on-street loading space in-lieu of an off-street space and is seeking an exception as part of the Large Project Authorization (See discussion below).

- L. **Bicycle Parking.** Planning Code Section 155.2 requires one Class One bicycle space for each dwelling unit and one Class Two space for every twenty dwelling units.

The Project includes 114 dwelling units and requires a total of 114 Class One bicycle parking spaces and six Class Two bicycle parking spaces. The Project exceeds this requirement by providing 114 Class One bicycle parking spaces and eight Class Two bicycle parking spaces.

- M. **Car Share.** Planning Code Section 166 requires one space for projects proposing between 50 and 200 dwelling units.

One car share space is required for the proposed 114 dwelling units. The Project exceeds the minimum requirement by providing two designated car share spaces.

- N. **Unbundled Parking.** Planning Code Section 167 requires that all off-street parking spaces accessory to residential uses in new structures of ten dwelling units or more be leased or sold separately from the rental or purchase fees for dwelling units for the life of the dwelling units.

The off-street parking spaces provided for the dwelling units will be unbundled and sold and/or leased separately from the dwelling units. Therefore, the Project meets this requirement.

- O. **Dwelling Unit Mix.** Planning Code Section 207.6 requires at least 40 percent of the total number of proposed dwelling units to contain two or more bedrooms. Any fraction resulting from this calculation shall be rounded to the nearest whole number of dwelling units.

The Project will be required to provide a minimum of 46 two-bedroom units or larger, and will exceed this requirement by providing 47 two-bedroom units, or 41 percent.

- P. **Height Limit.** Planning Code Section 260 requires that the height of buildings not exceed the limits specified in the Zoning Map and defines rules for the measurement of height. The Project Site is within a split 85/45-foot Height District.

The portion of the Project Site that has frontage along Shipley Street has a height limit of 45' for one-half the depth of the two through Subject Lots (141 and 142) and the entire depth of the third Subject Lot (106), whereas the remainder of Lots 141 and 142 that have frontage along Folsom Street have a

height limit of 85'. The Project complies with this requirement as the heights of the buildings do not exceed their respective height limits.

- A. **Narrow Streets.** Planning Code Section 261.1 outlines height and massing requirements for projects that front onto a "narrow street," which is defined as a public right of way less than or equal to 40-ft in width. Shipley Street measures approximately 35' wide, and is considered an east-west "narrow street." All subject frontages onto a narrow street shall have upper stories set back at least 10-ft at the property line above a height equivalent to 1.25 times the width of the abutting "narrow street." Therefore, the Project is required to provide a 10-ft setback above a height of 43-ft 9-in. The project site is located on the north side of an east-west "narrow street."

The proposed four-story building that fronts onto Shipley Street has a maximum height of 44' and complies with Planning Code 261.1.

- Q. **Height Limits: Special Exceptions.** Planning Code Section 263.21 permits vertical architectural elements on large lots that are excepted from the applicable height limits which mitigate the effect of long, monotonous individual buildings and create visual focal points that build upon the architectural tradition and character of an area. The mostly topographically flat Eastern Neighborhoods, particularly the South or Market, Showplace, and Mission Districts have a strong tradition of larger and longer buildings incorporating vertical architectural elements above the predominant roofline. These vertical elements are proportioned to the building and are generally not visible on the skyline or distant view.

The Project proposes a 12' tall architectural element at the north corner of the building that exceeds the 85' building height limit and is seeking an exception as part of the Large Project Authorization (See discussion below).

- R. **SoMa Youth and Family Special Use District.** The Project site is located in the SoMa Youth and Family Special Use District, which requires Conditional Use Authorization for certain land uses and increased affordable housing requirements for properties that front only on smaller streets within the District.

The Project does not propose any land uses restricted by this Special Use District, and Lot 106 that fronts exclusively on Shipley Street is not subject to the increased affordable housing requirements because the proposed building does not exceed 45' in height, pursuant to Planning Code Section 249.40A(c)(C).

- S. **Inclusionary Affordable Housing Program.** Planning Code Section 415 sets forth the requirements and procedures for the Inclusionary Affordable Housing Program. Under Planning Code Section 415.3, these requirements would apply to projects that consist of 10 or more units, where the first application (EE or BPA) was applied for on or after July 18, 2006. Pursuant to Planning Code Section 415.5 and 415.6, the Inclusionary Affordable Housing Program requirement for the On-site Affordable Housing Alternative is to provide 12% of the proposed dwelling units as affordable.

The Project Sponsor has demonstrated that it is eligible for the On-Site Affordable Housing Alternative under Planning Code Section 415.5 and 415.6, and has submitted a 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to satisfy the requirements of the Inclusionary Affordable Housing Program by providing the affordable housing on-site instead of through payment of the Affordable Housing Fee. In order for the Project Sponsor to be eligible for the On-Site Affordable Housing Alternative, the Project Sponsor must submit an 'Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415,' to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the project. The Project Sponsor submitted such Affidavit on April 21, 2014. The EE application was submitted on January 16, 2014. Pursuant to Planning Code Section 415.3 and 415.6, the on-site requirement is 12%. Fourteen units (one studio, eight one-bedroom, and five two-bedroom) of the 114 units provided will be affordable units. If the Project becomes ineligible to meet its Inclusionary Affordable Housing Program obligation through the On-site Affordable Housing Alternative, it must pay the Affordable Housing Fee with interest, if applicable.

- T. **Eastern Neighborhoods Infrastructure Impact Fees.** The project shall comply with the provisions of Planning Code Section 423, including payment of the Eastern Neighborhoods Impact Fee, or execution of an In-Kind Agreement with the Planning Department prior to issuance of the first site or building permit.

The Project includes the continuation of 1,559 sq. ft. of non-residential use, the conversion of approximately 5,941 sq. ft. of existing non-residential use to residential use, and the establishment of approximately 112,479 sq. ft. of new residential use. This new residential use is subject to the Eastern Neighborhoods Infrastructure Impact Fees, as outlined in Planning Code Section 423. These fees must be paid by the Project Sponsor prior to the issuance of the building permit application.

7. **Large Project Authorization in Eastern Neighborhoods Mixed Use District.** Planning Code Section 329(c) lists nine aspects of design review in which a project must comply; the Planning Commission finds that the project is compliant with these nine aspects as follows:

- A. **Overall building massing and scale;**

The Project conforms to the applicable height and bulk requirements. The community in the vicinity of the Project is constantly evolving with development in the entire South of Market region and the Eastern Neighborhoods Area Plans, and contains a range of building masses. The Project, with residential and a commercial use, will be consistent with the evolving character of the area. The Project massing will improve the character of the neighborhood and general pedestrian accessibility by providing streetscape improvements along both Folsom and Shipley Streets. Additionally, the Project steps down in height as it approaches Shipley Street, providing light and air access to this narrow right-of-way.

The most substantial structure in the vicinity is the Intercontinental Hotel (888 Howard St.), which rises 32-stories (340 feet) above the northeast corner of the intersection of Fifth and Howard Streets, one block north of the project site. There are several residential loft or condominium buildings within the surrounding blocks, including a 65' residential building (436 Clementina Street) to the northwest of the site, an 85' residential building (829 Folsom Street) one half-block to the east on Folsom Street, and the recently completed 85' Mosso mixed-use residential buildings (900 Folsom Street and 260 5th

Street) that contain more than 460 residential units. The Project will replace a commercial office building and a surface parking lot with a new residential building with ground floor commercial space along Folsom Street. A defining trend in the area has been redevelopment and adaptive reuse of underutilized parcels to meet the increased demand for housing and service-based businesses. The project falls within this trend and will be compatible with its surroundings. The proposed building fronting Folsom Street will be approximately 85', and the building fronting Shipley Street will be 44'. The buildings will fall within height restrictions set in the Planning Code and will be similar in scale to uses within a block of the project site, such as the aforementioned recently constructed projects. In addition, the Yerba Buena Lofts building (885 Folsom Street), one block east of the project site, is also 85' in height. Additionally, the 14-story Alexis Towers apartment building located one block north on Fifth Street is approximately 120' in height.

B. Architectural treatments, facade design and building materials;

The architecture of this Project responds to the site's location between the traditional warehouse aesthetic of West Soma, and the contemporary architecture of the Yerba Buena District to the east. The Project's facade along Folsom Street presents a fenestration pattern and scale that is unified and includes an architectural ribbon motif of composite resin panels that wraps up the building, breaking up the massing of the structure. This motif creates a distinctive facade design that adds interest to the high-performance, lightly tinted, non-reflective vision glass that comprises the balance of the residential floors. Juliet balconies are incorporated throughout this facade, providing residents access to the outdoors while recognizing the limited usefulness of these features along a major roadway. At the top of the Folsom Street building is an architectural element with subtly placed accent colors that balances the building, drawing the eye up to the top of the fritted glass and interior lighting that creates a signature visual element.

The building along Shipley Street is smaller in scale and incorporates a variety of materials including two colors of cladding, decorative perforated metal gates and balcony guardrails, horizontal plank tile and patina steel planters. The design also includes articulation and massing breaks consistent with the scale of the surrounding structures with a majority of the dwelling units having private open space looking out, or opening onto Shipley Street.

C. The design of lower floors, including building setback areas, commercial space, townhouses, entries, utilities, and the design and siting of rear yards, parking and loading access;

The ground floor character of the Folsom Street building is active with a ground floor commercial space that has an 18' clear ceiling height and clear glass facade to allow natural light into the ground floor spaces and provide visual interest at the pedestrian level. To clearly mark the residential lobby entry, the facade is set back 3'-6" from the property line and delineated by distinctive color accent panels and a 3' deep canopy. It is also flanked on both sides by a public art wall or a bike repair area to create additional interest and depth at a pedestrian scale.

D. The provision of required open space, both on- and off-site. In the case of off-site publicly accessible open space, the design, location, access, size, and equivalence in quality with that otherwise required on-site;

The Project provides a combined 9,124 sq. ft. of private and common usable open space through private balconies, stoops, and common open space. Common open space is provided by an 8,773 sq. ft. fifth floor roof deck overlooking Shipley Street and 351 sq. ft. of private open space in nine units fronting

Shipley Street. Furthermore, ten ground floor dwelling units that face the interior mid-block courtyard will have private access to additional open space. Finally, the nominal requirement for eight square feet of publicly-accessible open space will be satisfied through a payment of an in-lieu fee by the Sponsor.

- E. Streetscape and other public improvements, including tree planting, street furniture, and lighting;

The Project will include the installation of fifteen street trees along the Folsom and Shipley Street frontages, sidewalk upgrades, and other improvements that are consistent with the Better Streets Plan.

- F. Circulation, including streets, alleys and mid-block pedestrian pathways;

The Project proposes only one 20' wide ingress/egress access at Shipley Street and is not anticipated to create circulation problems. No other ingress/egress is proposed anywhere to prevent possible conflicts and congestion, and an indoor corridor that is accessible to residents and connects the two buildings will be located along the western boundary of the Project.

- G. Bulk limits;

The Project site is located in an X Bulk District, which provides no bulk restrictions.

- H. Other changes necessary to bring a project into conformance with any relevant design guidelines, Area Plan or Element of the General Plan.

The Project generally meets the Objectives and Policies of the General Plan and is compliant with the East SoMa Area Plan.

8. Exceptions. Proposed Planning Code Section 329 allows exceptions for Large Projects in the Eastern Neighborhoods Mixed Use Districts.

- A. Planning Code Section 134 requires a minimum rear yard equal to 25 percent of the total lot depth beginning at the lowest story containing a dwelling unit. The subject property is an irregular lot with two frontages. Planning Code Section 329(d) allows an exception for the rear yard requirement pursuant to requirements of Planning Code Section 134(f).

1. Residential uses are included in the new or expanding development and a comparable amount of readily accessible usable open space is provided elsewhere on the lot:

The Project is occupied by a residential uses except for a small amount of ground floor commercial space, and a comparable amount of readily accessible open space is proposed. Per the Planning Code, the required rear yard should equal 25 percent of the lot area, which is approximately 6,110 sq. ft. for this property. The proposed interior courtyard provides 5,670 sq. ft. (23.2 percent), and is a nominal deficit of 440 sq. ft. However, this deficit is mitigated through the provision of an additional 9,124 sq. ft of usable open space.

2. The proposed new or expanding structure will not significantly impede the access to light and air from adjacent properties:

The Project is located mid-block and the two buildings will occupy the northwest and southeast edges of the property. The 85' tall building will front Folsom Street, which has an approximately 80' wide right-of-way, and the 44' tall building will front Shipley Street in compliance with the Planning Code. As a result, the Project will have no significant impact on light and air to the adjacent properties.

3. The proposed new or expanding structure will not adversely affect the interior block open space formed by the rear yards of adjacent properties:

The adjacent properties to the east have no rear yard, and the area within the rear yard for the adjacent property to the west is used as an automobile parking lot; therefore, there is no existing interior block open space. However, the Project will include a 35' wide accessible interior courtyard.

- B. Planning Code Section 151.1 allows for the provision of up to three parking spaces for each four dwelling units, subject to the requirements of Sections 151.1(g) below. No additional parking is permitted above these amounts.

(1)(A) Parking for All Uses.

- (i) Vehicle movement on or around the project does not unduly impact pedestrian spaces or movement, transit service, bicycle movement, or the overall traffic movement in the district;
- (ii) Accommodating excess accessory parking does not degrade the overall urban design quality of the project proposal;
- (iii) All above-grade parking is architecturally screened and lined with active uses according to the standards of Section 145.1, and the project sponsor is not requesting any exceptions or variances requiring such treatments elsewhere in this Code; and
- (iv) Excess accessory parking does not diminish the quality and viability of existing or planned streetscape enhancements.

The Project will include 78 off-street parking spaces (not including the two car-share spaces), which represents 0.68 spaces per dwelling unit, and one 20' wide, two-way vehicular access ramp off Shipley Street that accesses a subterranean parking garage. This singular ingress/egress point to the off-street parking will minimize any impact to pedestrian spaces or movement. All parking spaces will be located underground, will not be visible from the street, and will not diminish the quality and viability of the existing and planned streetscape. The proposed bicycle parking is at the ground level and will be accessible through the building lobby.

(B) Parking for Residential Uses.

- (i) For projects with 50 dwelling units or more, all residential accessory parking in excess of 0.5 spaces per unit shall be stored and accessed by mechanical stackers or lifts, valet, or other space-efficient means that reduces space used for parking and maneuvering, and maximizes other uses.

The maximum number of parking spaces permitted is 86, or a parking ratio of approximately 0.75 spaces per dwelling unit, not including any required car-share spaces. The project proposes 78 parking spaces, or a parking ratio of approximately 0.68 spaces per dwelling unit, whereby a minimum of 21 spaces must be accessed by mechanical stackers. The Project complies with this Code section by proposing 60 spaces that will be accessed by mechanical stackers.

- C. Planning Code Section 152.1 requires one off-street freight loading space for a residential use in the Eastern Neighborhoods Mixed Use Districts when the gross floor area is more than 100,000 square feet and up to 200,000 square feet.

The Project proposes to designate a loading zone on Shipley Street that would be used in conjunction with a scissors lift within an adjacent service vestibule to allow loading to be completed at the ground level and access to the basement level via an interior corridor without the need to use the automobile ramp. The permanent lift system would bridge the 3' elevation change between the Shipley Street grade and the interior corridor, and will eliminate safety hazards associated with drivers colliding with moving personnel and "runaway" dollies full of heavy items. The proposed loading zone will be used primarily by residents moving in/out of the building and service vehicles for building maintenance. Since the width of the Shipley street right-of-way is between 35' and 40', the establishment of an on-street loading zone would not negatively impact automobile or pedestrian circulation.

- D. Planning Code Section 263.21 permits vertical architectural elements on large lots that are excepted from the applicable height limits which mitigate the effect of long, monotonous individual buildings and create visual focal points that build upon the architectural tradition and character of an area. The mostly topographically flat Eastern Neighborhoods, particularly the South or Market, Showplace, and Mission Districts have a strong tradition of larger and longer buildings incorporating vertical architectural elements above the predominant roofline. These vertical elements are proportioned to the building and are generally not visible on the skyline or distant view.

The Project proposes an approximately 12' tall architectural element atop the north corner of the Folsom Street building that has a 25' x 25' footprint and is clad with subtly placed accent colors that balances the building, drawing the eye up to the top of the fritted glass and interior lighting that creates a signature visual element. This architectural element is equal in height to the adjacent screened areas for the rooftop mechanical equipment, but is distinguished by the cladding materials, fritted glazing, and interior lighting, and will create a visual focal point to mitigate any effects of a long and monotonous individual building.

9. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

HOUSING

Objectives and Policies

OBJECTIVE 1:

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

The Project is a residential mixed-use development in an area that features civic, commercial and residential uses. The subject lots are an ideal infill site occupied by a single commercial office building and an at-grade parking lot. The project site was rezoned to MUR as part of a long range planning goal to

create a cohesive, higher density residential and mixed-use neighborhood. The surrounding neighborhood features a wide variety of zoning, which is consistent with the desired mixed-use character. The Project will provide opportunities for affordable housing across the City by offering fourteen on-site BMR units that will remain affordable for the life of the Project.

OBJECTIVE 11:

SUPPORT AND RESPECT THE DIVERSE AND DISTINCT CHARACTER OF SAN FRANCISCO'S NEIGHBORHOODS.

Policy 11.1

Promote the construction and rehabilitation of well-designed housing that emphasizes beauty, flexibility, and innovative design, and respects existing neighborhood character.

Policy 11.2

Ensure implementation of accepted design standards in project approvals.

Policy 11.3

Ensure growth is accommodated without substantially and adversely impacting existing residential neighborhood character.

Policy 11.4

Continue to utilize zoning districts which conform to a generalized residential land use and density plan and the General Plan.

Policy 11.6

Foster a sense of community through architectural design, using features that promote community interaction.

Policy 11.8

Consider a neighborhood's character when integrating new uses, and minimize disruption caused by expansion of institutions into residential areas.

The architecture of this Project responds to the site's location as a mixed-use area with civic, commercial and residential uses. The Project's facades provide an expression that relates to the surrounding neighborhood, while providing for a material palette and aesthetic that is contemporary in character and relatively simple in design. The exterior is designed with modern materials vision and spandrel glass, composite black opal cladding, accent tiles, and metal slab edge cover. The massing and scale are indicative of the urban fabric of the surrounding area.

RECREATION AND OPEN SPACE ELEMENT

Objectives and Policies

OBJECTIVE 4:

PROVIDE OPPORTUNITIES FOR RECREATION AND THE ENJOYMENT OF OPEN SPACE IN EVERY SAN FRANCISCO NEIGHBORHOOD.

Policy 4.5

Require private usable outdoor open space in new residential development.

Policy 4.6

Assure the provision of adequate public open space to serve new residential development.

The Project will create private and common outdoor open spaces in a new residential mixed-use development through private balconies, an interior courtyard, and a roof deck. It will not cast shadows over any open spaces under the jurisdiction of the Recreation and Park Department.

TRANSPORTATION ELEMENT

Objectives and Policies

OBJECTIVE 24:

IMPROVE THE AMBIENCE OF THE PEDESTRIAN ENVIRONMENT.

Policy 24.2

Maintain and expand the planting of street trees and the infrastructure to support them.

Policy 24.3

Install pedestrian-serving street furniture where appropriate.

Policy 24.4

Preserve pedestrian-oriented building frontages.

The Project will install street trees at approximately 20' intervals along the frontages of Folsom and Shipley Streets, and landscaping with pedestrian-serving site furniture will also be installed. The frontages are designed with active spaces oriented at the pedestrian level that have an 18' clear ceiling height along Folsom Street, and dwelling units with raised entry stoops that directly access the pedestrian realm along Shipley Street.

OBJECTIVE 28:

PROVIDE SECURE AND CONVENIENT PARKING FACILITIES FOR BICYCLES.

Policy 28.1:

Provide secure bicycle parking in new governmental, commercial, and residential developments.

Policy 28.3:

Provide parking facilities which are safe, secure, and convenient.

The Project includes 114 Class One bicycle parking spaces in secure, convenient locations on the basement-level garage and eight Class Two spaces in the Folsom Street public right-of-way.

OBJECTIVE 34:

RELATE THE AMOUNT OF PARKING IN RESIDENTIAL AREAS AND NEIGHBORHOOD COMMERCIAL DISTRICTS TO THE CAPACITY OF THE CITY'S STREET SYSTEM AND LAND USE PATTERNS.

Policy 34.1:

Regulate off-street parking in new housing so as to guarantee needed spaces without requiring excesses and to encourage low auto ownership in neighborhoods that are well served by transit and are convenient to neighborhood shopping.

Policy 34.3:

Permit minimal or reduced off-street parking supply for new buildings in residential and commercial areas adjacent to transit centers and along transit preferential streets.

Policy 34.5:

Minimize the construction of new curb cuts in areas where on-street parking is in short supply and locate them in a manner such that they retain or minimally diminish the number of existing on-street parking spaces.

The Project has a parking to dwelling unit ratio of 0.68 spaces per unit, below the maximum permitted ratio of 0.75. The parking spaces are accessed by one ingress/egress point measuring 20' wide from Shipley Street. The Project does not provide any off-street parking for the commercial use, which is not required by the Eastern Neighborhoods Area Plan. Overall, the parking is adequate for the project and complies with maximum prescribed by the Planning Code.

URBAN DESIGN ELEMENT

Objectives and Policies

OBJECTIVE 1:

EMPHASIS OF THE CHARACTERISTIC PATTERN WHICH GIVES TO THE CITY AND ITS NEIGHBORHOODS AN IMAGE, A SENSE OF PURPOSE, AND A MEANS OF ORIENTATION.

Policy 1.7:

Recognize the natural boundaries of districts, and promote connections between districts.

The Project is located within the East SoMa neighborhood surrounded by the Western SoMa Special Use and the Service/Arts/Light Industrial Districts that is characterized with civic, commercial and residential uses. As such, the Project provides an appropriate ground floor, massing, and scale that respond to the form and scale of the existing neighborhood, while also providing a new contemporary architectural vocabulary and a better pedestrian experience, as compared to the existing site.

OBJECTIVE 4:

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY.

Policy 4.5:

Design walkways and parking facilities to minimize danger to pedestrians.

Policy 4.13:

Improve pedestrian areas by providing human scale and interest.

Although the Project Site has two street frontages, it will only provide one vehicular access point for the entire project, limiting conflicts with pedestrians and bicyclists. Numerous street trees will be planted along each street; and the Project provides ample frontages for commercial and residential use and an active ground floor, which appropriately engages the street. Along the project site, the pedestrian experience will be greatly improved with upgraded sidewalks, landscaping and site furniture, whereas the existing site contains a commercial office building and an at-grade parking lot.

EAST SOMA AREA PLAN

Objectives and Policies

Land Use

OBJECTIVE 1.1:

ENCOURAGE PRODUCTION OF HOUSING AND OTHER MIXED-USE DEVELOPMENT IN EAST SOMA WHILE MAINTAINING ITS EXISTING SPECIAL MIXED-USE CHARACTER.

Policy 1.1.8

Permit small and moderate retail establishments in mixed use areas of East SoMa, but permit larger retail only as part of a mixed-use development.

OBJECTIVE 1.2

MAXIMIZE HOUSING POTENTIAL IN KEEPING WITH NEIGHBORHOOD CHARACTER

Policy 1.2.1

Encourage development of new housing throughout East SoMa.

Policy 1.2.2

Ensure that in-fill housing development is compatible with its surroundings.

Policy 1.2.3

For new construction, and as part of major expansion of existing buildings, encourage housing development over commercial.

Policy 1.2.4

In general, where residential development is permitted, control residential density through building height and bulk guidelines and bedroom mix requirements.

Housing

OBJECTIVE 2.3

ENSURE THAT NEW RESIDENTIAL DEVELOPMENTS SATISFY AN ARRAY OF HOUSING NEEDS WITH RESPECT TO TENURE, UNIT MIX AND COMMUNITY SERVICES.

Policy 2.3.2

Prioritize the development of affordable family housing, both rental and ownership, particularly along transit corridors and adjacent to community amenities.

Policy 2.3.3

Require that 40 percent of all units in new developments have two or more bedrooms and encourage that at least 10 percent of all units in new development have three or more bedrooms, except Senior Housing and SRO developments.

Policy 2.3.5

Explore a range of revenue-generating tools including impact fees, public funds and grants, assessment districts, and other private funding sources, to fund community and neighborhood improvements.

Policy 2.3.6

Establish an Eastern Neighborhoods Public Benefit Fund to mitigate the impacts of new development on transit, pedestrian, bicycle, and street improvements, park and recreational facilities, and community facilities such as libraries, child care and other neighborhood services in the area.

The Project will provide fourteen BMR units on-site that will remain affordable ownership units for the life of the project. The appropriate dwelling unit mix is proposed with approximately 41%, or 47 of the units being two-bedroom dwellings. The Project will also pay the appropriate development impact fees, including the Eastern Neighborhoods Impact Fees.

Built Form

OBJECTIVE 3.1

PROMOTE AN URBAN FORM THAT REINFORCES THE EAST SOMA'S DISTINCTIVE PLACE IN THE CITY'S LARGER FORM AND STRENGTHENS ITS PHYSICAL FABRIC AND CHARACTER.

Policy 3.1.1

Adopt heights that are appropriate for SoMa's location in the city, the prevailing street and block pattern, and the anticipated land uses, while preserving the character of its neighborhood enclaves.

Policy 3.1.8

New development should respect existing patterns of rear yard open space. Where an existing pattern of rear yard open space does not exist, new development on mixed-use-zoned parcels should have greater flexibility as to where open space can be located.

Policy 3.1.11

Establish and require height limits along alleyways to create the intimate feeling of an urban room.

OBJECTIVE 3.2

PROMOTE AN URBAN FORM AND ARCHITECTURAL CHARACTER THAT SUPPORTS WALKING AND SUSTAINS A DIVERSE, ACTIVE AND SAFE PUBLIC REALM.

Policy 3.2.1

Require high quality design of street-facing building exteriors.

Policy 3.2.4

Strengthen the relationship between a building and its fronting sidewalk.

The Project is located within the prescribed height and bulk guidelines and is largely residential, but does include one ground floor commercial space that provides the mix of uses encouraged by the Area Plan for this location. Further, the Project includes the appropriate massing setbacks along Shipley Street, which is identified as a narrow street. The Project introduces a contemporary architectural vocabulary, which responds to the prevailing scale and neighborhood fabric and compliments the broader context of large buildings along Howard, Mission and Market Streets. The Project provides strong, repeating vertical articulation to achieve the visual presence necessary to sustain pedestrian interest and activity. Massing is differentiated with different building heights, notches, recesses, and projections. The Project provides strong, repeating vertical articulation to achieve the visual presence necessary to sustain pedestrian interest and activity. Massing is differentiated with different building heights, notches, recesses, and projections. The proposed fenestration represents the commercial and residential uses behind them which minimizes visual clutter, harmonizes with the prevailing conditions, and provides architectural interest. Proposed windows are recessed and are generally oriented vertically with metal mullions and trim. The Project provides an exterior that features a variety of materials, colors, and textures, including cement plaster, metal panels, vision glass, and tile trim.

10. Planning Code Section 101.1(b) establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

There are no existing neighborhood-serving retail uses on the site, and the Project will provide approximately 1,559 square feet of ground floor commercial space. The Project will also add new residents, visitors, and employees to the neighborhood that would strengthen nearby retail uses and provide new opportunity for retail employment/ownership.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

No housing exists on the project site. The project will provide up to 114 new dwelling units, which will significantly increase the neighborhood housing stock. The design of the Project is compatible and relates to the scale and form of the surrounding neighborhood by providing architectural gestures to the surrounding residential complexes and residential hotels. For these reasons, the proposed project would protect and preserve the cultural and economic diversity of the neighborhood.

- C. That the City's supply of affordable housing be preserved and enhanced.

The Project will not displace any affordable housing because there is currently no housing on the site. The Project will comply with the City's Inclusionary Housing Program by providing fourteen Below Market Rate units, therefore increasing the stock of affordable housing units in the City.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The project site is well-served by public transportation and is located within half a block from various bus routes. In addition, the Project is within walking distance to the Powell Street MUNI and BART Stations. Future residents would be afforded close proximity to bus or rail transit. The Project also provides sufficient off-street parking at a ratio of 0.68 per dwelling unit, and sufficient bicycle parking for residents and their guests. The majority of future residents are expected to use alternative methods of transportation other than private automobiles, and the number of vehicle trips generated by this project would not impede MUNI transit service or overburden streets.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project is consistent with the East SoMa Area Plan, which encourages new mixed-use development. The Project will enhance opportunities for resident employment and ownership by providing new housing and a retail space that will increase the diversity of the City's housing supply, which is a top priority in the City, and also provide a new neighborhood-serving use.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The project will be designed and constructed to conform to the structural and seismic safety requirements of the Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

There are no landmarks or historic buildings on the project site or within the immediate vicinity.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project will not affect the City's parks or open space or their access to sunlight and vistas. A shadow study was completed and concluded that the Project will not cast shadows on any property under the jurisdiction of, or designated for acquisition by, the Recreation and Park Commission.

11. **First Source Hiring.** The Project is subject to the requirements of the First Source Hiring Program as they apply to permits for residential development (Section 83.4(m) of the Administrative Code), and the Project Sponsor shall comply with the requirements of this Program as to all construction work and on-going employment required for the Project. Prior to the issuance of any building permit to construct or a First Addendum to the Site Permit, the Project Sponsor shall have a First Source Hiring Construction and Employment Program approved by the First Source Hiring Administrator, and evidenced in writing. In the event that both the Director of Planning

and the First Source Hiring Administrator agree, the approval of the Employment Program may be delayed as needed.

The Project Sponsor submitted a First Source Hiring Affidavit and prior to issuance of a building permit, will execute a First Source Hiring Memorandum of Understanding and a First Source Hiring Agreement with the City's First Source Hiring Administration.

12. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
13. The Commission hereby finds that approval of the Large Project authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby APPROVES Large Project Authorization Application No. 2012.1333X subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans on file, dated July 16, 2014, and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

The Planning Commission hereby adopts the MMRP attached hereto as "EXHIBIT C" and incorporated herein as part of this Motion by this reference thereto. All required mitigation measures identified in the Eastern Neighborhoods Plan EIR and contained in the MMRP are included as conditions of approval.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Large Project Authorization to the Board of Appeals within fifteen (15) days after the date of this Motion No. 19205. The effective date of this Motion shall be the date of this Motion if not appealed (After the 15-day period has expired) OR the date of the decision of the Board of Appeals if appealed to the Board of Appeals. For further information, please contact the Board of Appeals at (415) 575-6880, 1650 Mission Street, Room 304, San Francisco, CA 94103.

Protest of Fee or Exaction: You may protest any fee or exaction subject to Government Code Section 66000 that is imposed as a condition of approval by following the procedures set forth in Government Code Section 66020. The protest must satisfy the requirements of Government Code Section 66020(a) and must be filed within 90 days of the date of the first approval or conditional approval of the development referencing the challenged fee or exaction. For purposes of Government Code Section 66020, the date of imposition of the fee shall be the date of the earliest discretionary approval by the City of the subject development.

If the City has not previously given Notice of an earlier discretionary approval of the project, the Planning Commission's adoption of this Motion, Resolution, Discretionary Review Action or the Zoning Administrator's Variance Decision Letter constitutes the approval or conditional approval of the development and the City hereby gives NOTICE that the 90-day protest period under Government Code Section 66020 has begun. If the City has already given Notice that the 90-day approval period has begun for the subject development, then this document does not re-commence the 90-day approval period.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on July 24, 2014.

Jonas P. Ionin
Acting Commission Secretary

AYES: Commissioners Antonini, Hillis, Johnson, Moore, Sugaya, and Wu
NAYS: None
ABSENT: Commissioner Fong
ADOPTED: July 24, 2014

EXHIBIT A

AUTHORIZATION

This authorization is for a Large Project Authorization to allow for the construction of a nine-story residential building fronting Folsom Street and a four-story building fronting Shipley Street with a total of up to 114 dwelling units, approximately 1,559 square feet of commercial space, and up to 80 off-street parking spaces in a below-grade garage, and modification to the requirements for rear yard, off-street parking, off-street loading, and special height exceptions, located at 923 Folsom Street, Lots 106, 141 and 142 in Assessor's Block 3753 pursuant to Planning Code Section 329 within the MUR (Mixed Use - Residential) Zoning District, and a split 85/45-X Height and Bulk District; in general conformance with plans, dated July 16, 2014, and stamped "EXHIBIT B" included in the docket for Case No. 2012.1333X and subject to conditions of approval reviewed and approved by the Commission on July 24, 2014, under Motion No. 19205. This authorization and the conditions contained herein run with the property and not with a particular Project Sponsor, business, or operator.

RECORDATION OF CONDITIONS OF APPROVAL

Prior to the issuance of the building permit or commencement of use for the Project the Zoning Administrator shall approve and order the recordation of a Notice in the Official Records of the Recorder of the City and County of San Francisco for the subject property. This Notice shall state that the project is subject to the conditions of approval contained herein and reviewed and approved by the Planning Commission on July 24, 2014, under Motion No. 19205.

PRINTING OF CONDITIONS OF APPROVAL ON PLANS

The conditions of approval under the 'Exhibit A' of this Planning Commission Motion No. 19205 shall be reproduced on the Index Sheet of construction plans submitted with the Site or Building permit application for the Project. The Index Sheet of the construction plans shall reference to the Large Project Authorization and any subsequent amendments or modifications.

SEVERABILITY

The Project shall comply with all applicable City codes and requirements. If any clause, sentence, section or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining clauses, sentences, or sections of these conditions. This decision conveys no right to construct, or to receive a building permit. "Project Sponsor" shall include any subsequent responsible party.

CHANGES AND MODIFICATIONS

Changes to the approved plans may be approved administratively by the Zoning Administrator. Significant changes and modifications of conditions shall require Planning Commission approval of a new Large Project Authorization.

Conditions of Approval, Compliance, Monitoring, and Reporting PERFORMANCE

Validity. The authorization and right vested by virtue of this action is valid for three (3) years from the effective date of the Motion. The Department of Building Inspection shall have issued a Building Permit or Site Permit to construct the project and/or commence the approved use within this three-year period.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Expiration and Renewal. Should a Building or Site Permit be sought after the three (3) year period has lapsed, the project sponsor must seek a renewal of this Authorization by filing an application for an amendment to the original Authorization or a new application for Authorization. Should the project sponsor decline to so file, and decline to withdraw the permit application, the Commission shall conduct a public hearing in order to consider the revocation of the Authorization. Should the Commission not revoke the Authorization following the closure of the public hearing, the Commission shall determine the extension of time for the continued validity of the Authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Diligent pursuit. Once a site or Building Permit has been issued, construction must commence within the timeframe required by the Department of Building Inspection and be continued diligently to completion. Failure to do so shall be grounds for the Commission to consider revoking the approval if more than three (3) years have passed since this Authorization was approved.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Extension. All time limits in the preceding three paragraphs may be extended at the discretion of the Zoning Administrator where implementation of the project is delayed by a public agency, an appeal or a legal challenge and only by the length of time for which such public agency, appeal or challenge has caused delay.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Conformity with Current Law. No application for Building Permit, Site Permit, or other entitlement shall be approved unless it complies with all applicable provisions of City Codes in effect at the time of such approval.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

DESIGN

Final Materials. The Project Sponsor shall continue to work with the Planning Department on the building design and the design and development of the streetscape and pedestrian elements in conformance with the Better Streets Plan. Final materials, glazing, color, texture, landscaping, and

detailing shall be subject to Department staff review and approval. The architectural addenda shall be reviewed and approved by the Planning Department prior to issuance.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6613, www.sf-planning.org

Garbage, composting and recycling storage. Space for the collection and storage of garbage, composting, and recycling shall be provided within enclosed areas on the property and clearly labeled and illustrated on the building permit plans. Space for the collection and storage of recyclable and compostable materials that meets the size, location, accessibility and other standards specified by the San Francisco Recycling Program shall be provided at the ground level of the buildings.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6613, www.sf-planning.org

Rooftop Mechanical Equipment. Pursuant to Planning Code 141, the Project Sponsor shall submit a roof plan to the Planning Department prior to Planning approval of the building permit application. Rooftop mechanical equipment, if any is proposed as part of the Project, is required to be screened so as not to be visible from any point at or below the roof level of the subject building.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

Transformer Vault. The location of individual project PG&E Transformer Vault installations has significant impacts to San Francisco streetscapes when improperly located. However, they may not have any impact if they are installed in preferred locations. Therefore, the Planning Department recommends the following preference schedule in locating new transformer vaults, in order of most to least desirable:

- A. On-site, in a basement area accessed via a garage or other access point without use of separate doors on a ground floor façade facing a public right-of-way;
- B. On-site, in a driveway, underground;
- C. On-site, above ground, screened from view, other than a ground floor façade facing a public right-of-way;
- D. Public right-of-way, underground, under sidewalks with a minimum width of 12 feet, avoiding impacts on streetscape elements, such as street trees; and based on Better Streets Plan guidelines;
- E. Public right-of-way, underground; and based on Better Streets Plan guidelines;
- F. Public right-of-way, above ground, screened from view; and based on Better Streets Plan guidelines;
- G. On-site, in a ground floor façade (the least desirable location).

Unless otherwise specified by the Planning Department, Department of Public Works Bureau of Street Use and Mapping (DPW BSM) should use this preference schedule for all new transformer vault installation requests.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>

Noise, Ambient. Interior occupiable spaces shall be insulated from ambient noise levels. Specifically, in areas identified by the Environmental Protection Element, Map1, "Background Noise Levels," of the

General Plan that exceed the thresholds of Article 29 in the Police Code, new developments shall install and maintain glazing rated to a level that insulate interior occupiable areas from Background Noise and comply with Title 24.

For information about compliance, contact the Environmental Health Section, Department of Public Health at (415) 252-3800, www.sfdph.org

Noise. Plans submitted with the building permit application for the approved project shall incorporate acoustical insulation and other sound proofing measures to control noise.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sfplanning.org

Street Trees. Pursuant to Planning Code Section 138.1 (formerly 143), the Project Sponsor shall submit a site plan to the Planning Department prior to Planning approval of the building permit application indicating that street trees, at a ratio of one street tree of an approved species for every 20 feet of street frontage along public or private streets bounding the Project, with any remaining fraction of 10 feet or more of frontage requiring an extra tree, shall be provided. The street trees shall be evenly spaced along the street frontage except where proposed driveways or other street obstructions do not permit. The exact location, size and species of tree shall be as approved by the Department of Public Works (DPW). In any case in which DPW cannot grant approval for installation of a tree in the public right-of-way, on the basis of inadequate sidewalk width, interference with utilities or other reasons regarding the public welfare, and where installation of such tree on the lot itself is also impractical, the requirements of this Section 428 may be modified or waived by the Zoning Administrator to the extent necessary.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sfplanning.org

AFFORDABLE HOUSING

Number of Required Units. Pursuant to Planning Code Section 415.6, the Project is required to provide 12% of the proposed dwelling units as affordable to qualifying households. The Project contains 114 units; therefore, fourteen affordable units are required. The Project Sponsor will fulfill this requirement by providing the fourteen affordable units on-site. If the number of market-rate units change, the number of required affordable units shall be modified accordingly with written approval from Planning Department staff in consultation with the Mayor's Office of Housing and Community Development ("MOHCD").

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sfplanning.org or the Mayor's Office of Housing and Community Development at 415-701-5500, www.sf-moh.org.

Unit Mix. The Project contains eight studios, 59 one-bedroom, and 47 two-bedroom units; therefore, the required affordable unit mix is one studio, eight one-bedroom, and five two-bedroom, for a total of fourteen affordable units. If the market-rate unit mix changes, the affordable unit mix will be modified accordingly with written approval from Planning Department staff in consultation with MOH.

Unit Location. The BMR units shall be designated on a reduced set of plans recorded as a Notice of Special Restrictions on the property prior to the issuance of first construction permit.

Phasing. If any building permit is issued for partial phasing of the Project, the Project Sponsor shall have designated not less than sixteen percent (16%) of the each phase's total number of dwelling units as on-site BMR units. Alternatively, if the Project Sponsor has entered into an agreement with the City to provide rental housing for 30 years under Section 419.5(b) of the Planning Code, the Project shall have designated not less than thirteen percent (13%) of the each phase's total number of dwelling units as on-site BMR units.

Duration. Under Planning Code Section 419.8, all units constructed pursuant to Section 419.6, must remain affordable to qualifying households for the life of the project.

Other Conditions. The Project is subject to the requirements of the Inclusionary Affordable Housing Program under Section 415 et seq. of the Planning Code and City and County of San Francisco Inclusionary Affordable Housing Program Monitoring and Procedures Manual ("Procedures Manual"). The Procedures Manual, as amended from time to time, is incorporated herein by reference, as published and adopted by the Planning Commission, and as required by Planning Code Section 415. Terms used in these conditions of approval and not otherwise defined shall have the meanings set forth in the Procedures Manual. A copy of the Procedures Manual can be obtained at the MOHCD at 1 South Van Ness Avenue or on the Planning Department or MOHCD websites, including on the internet at: <http://sf-planning.org/Modules/ShowDocument.aspx?documentid=4451>. As provided in the Inclusionary Affordable Housing Program, the applicable Procedures Manual is the manual in effect at the time the subject units are made available for sale.

- a. The affordable unit(s) shall be designated on the building plans prior to the issuance of the first construction permit by the Department of Building Inspection ("DBI"). The affordable unit(s) shall (1) reflect the unit size mix in number of bedrooms of the market rate units, (2) be constructed, completed, ready for occupancy and marketed no later than the market rate units, and (3) be evenly distributed throughout the building; and (4) be of comparable overall quality, construction and exterior appearance as the market rate units in the principal project. The interior features in affordable units should be generally the same as those of the market units in the principal project, but need not be the same make, model or type of such item as long they are of good and new quality and are consistent with then-current standards for new housing. Other specific standards for on-site units are outlined in the Procedures Manual.
- b. If the units in the building are offered for sale, the affordable unit(s) shall be sold to first time home buyer households, as defined in the Procedures Manual, whose gross annual income, adjusted for household size, does not exceed an average of ninety (90) percent of Area Median Income under the income table called "Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that contains San Francisco." The initial sales price of such units shall be calculated according to the Procedures Manual. Limitations on (i) reselling; (ii) renting; (iii) recouping capital improvements; (iv) refinancing; and (v) procedures for inheritance apply and are set forth in the Inclusionary Affordable Housing Program and the Procedures Manual.
- c. The Project Sponsor is responsible for following the marketing, reporting, and monitoring requirements and procedures as set forth in the Procedures Manual. MOHCD shall be

responsible for overseeing and monitoring the marketing of affordable units. The Project Sponsor must contact MOHCD at least six months prior to the beginning of marketing for any unit in the building.

- d. Required parking spaces shall be made available to initial buyers or renters of affordable units according to the Procedures Manual.
- e. Prior to the issuance of the first construction permit by DBI for the Project, the Project Sponsor shall record a Notice of Special Restriction on the property that contains these conditions of approval and a reduced set of plans that identify the affordable units satisfying the requirements of this approval. The Project Sponsor shall promptly provide a copy of the recorded Notice of Special Restriction to the Department and to MOHCD or its successor.
- f. The Project Sponsor has demonstrated that it is eligible for the On-site Affordable Housing Alternative under Planning Code Section 415.6 instead of payment of the Affordable Housing Fee, and has submitted the *Affidavit of Compliance with the Inclusionary Affordable Housing Program: Planning Code Section 415* to the Planning Department stating that any affordable units designated as on-site units shall be sold as ownership units and will remain as ownership units for the life of the Project.
- g. If the Project Sponsor fails to comply with the Inclusionary Affordable Housing Program requirement, the Director of DBI shall deny any and all site or building permits or certificates of occupancy for the development project until the Planning Department notifies the Director of compliance. A Project Sponsor's failure to comply with the requirements of Planning Code Section 419 et seq. shall constitute cause for the City to record a lien against the development project and to pursue any and all available remedies at law.
- h. If the Project becomes ineligible at any time for the On-site Affordable Housing Alternative, the Project Sponsor or its successor shall pay the Affordable Housing Fee prior to issuance of the first construction permit or may seek a fee deferral as permitted under Ordinances 0107-10 and 0108-10. If the Project becomes ineligible after issuance of its first construction permit, the Project Sponsor shall notify the Department and MOH and pay interest on the Affordable Housing Fee at a rate equal to the Development Fee Deferral Surcharge Rate in Section 107A.13.3.2 of the San Francisco Building Code and penalties, if applicable.

PARKING AND TRAFFIC

Unbundled Parking. All off-street parking spaces shall be made available to Project residents only as a separate "add-on" option for purchase or rent and shall not be bundled with any Project dwelling unit for the life of the dwelling units. The required parking spaces may be made available to residents within a quarter mile of the project. All affordable dwelling units pursuant to Planning Code Section 415 shall have equal access to use of the parking as the market rate units, with parking spaces priced commensurate with the affordability of the dwelling unit. Each unit within the Project shall have the first right of refusal to rent or purchase a parking space until the number of residential parking spaces are no longer available. No conditions may be placed on the purchase or rental of dwelling units, nor may

homeowner's rules be established, which prevent or preclude the separation of parking spaces from dwelling units.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Car Share. Pursuant to Planning Code Section 166, at least one car share space shall be made available, at no cost, to a certified car share organization for the purposes of providing car share services for its service subscribers.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Bicycle Parking. Pursuant to Planning Code Sections 155.1, 155.4, and 155.5, the Project shall provide no fewer than 122 bicycle parking spaces (114 Class 1 spaces and 8 Class 2 spaces).

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Parking Maximum. Pursuant to Planning Code Section 151.1, the Project shall provide no more than 86 off-street parking spaces.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Managing Traffic During Construction. The Project Sponsor and construction contractor(s) shall coordinate with the Traffic Engineering and Transit Divisions of the San Francisco Municipal Transportation Agency (SFMTA), the Police Department, the Fire Department, the Planning Department, and other construction contractor(s) for any concurrent nearby Projects to manage traffic congestion and pedestrian circulation impacts during construction of the Project.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

PROVISIONS

First Source Hiring. The Project shall adhere to the requirements of the First Source Hiring Construction and End-Use Employment Program approved by the First Source Hiring Administrator, pursuant to Section 83.4(m) of the Administrative Code. The Project Sponsor shall comply with the requirements of this Program regarding construction work and on-going employment required for the Project.

For information about compliance, contact the First Source Hiring Manager at 415-581-2335, www.onestopSF.org

Eastern Neighborhoods Infrastructure Impact Fee. Pursuant to Planning Code Section 423 (formerly 327), the Project Sponsor shall comply with the Eastern Neighborhoods Public Benefit Fund provisions through payment of an Impact Fee pursuant to Article 4.

For information about compliance, contact the Case Planner, Planning Department at 415-558-6378, www.sf-planning.org

MONITORING

Enforcement. Violation of any of the Planning Department conditions of approval contained in this Motion or of any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Revocation due to Violation of Conditions. Should implementation of this Project result in complaints from interested property owners, residents, or commercial lessees which are not resolved by the Project Sponsor and found to be in violation of the Planning Code and/or the specific conditions of approval for the Project as set forth in Exhibit A of this Motion, the Zoning Administrator shall refer such complaints to the Commission, after which it may hold a public hearing on the matter to consider revocation of this authorization.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

OPERATION

Sidewalk Maintenance. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean and sanitary condition in compliance with the Department of Public Works Streets and Sidewalk Maintenance Standards.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works, 415-695-2017, <http://sfdpw.org/>

Garbage, Recycling, and Composting Receptacles. Garbage, recycling, and compost containers shall be kept within the premises and hidden from public view, and placed outside only when being serviced by the disposal company. Trash shall be contained and disposed of pursuant to garbage and recycling receptacles guidelines set forth by the Department of Public Works.

For information about compliance, contact Bureau of Street Use and Mapping, Department of Public Works at 415-554-5810, <http://sfdpw.org>

Community Liaison. Prior to issuance of a building permit to construct the project and implement the approved use, the Project Sponsor shall appoint a community liaison officer to deal with the issues of concern to owners and occupants of nearby properties. The Project Sponsor shall provide the Zoning Administrator with written notice of the name, business address, and telephone number of the community liaison. Should the contact information change, the Zoning Administrator shall be made aware of such change. The community liaison shall report to the Zoning Administrator what issues, if any, are of concern to the community and what issues have not been resolved by the Project Sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

Motion No. 19205
July 24, 2014

CASE NO. 2012.1333X
923 Folsom Street

Mitigation Measures. Mitigation measures described in the MMRP for the Eastern Neighborhoods Plan EIR (Case No. 2012.1333E) attached as Exhibit C are necessary to avoid potential significant effects of the proposed project and have been agreed to by the project sponsor.

For information about compliance, contact Code Enforcement, Planning Department at 415-575-6863, www.sf-planning.org

G:\Documents\X\923-931 Folsom Street_2012.1333X\Report\2012.1333X_Final Motion.doc



SAN FRANCISCO PLANNING DEPARTMENT

General Plan Referral

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Date: September 24, 2014
Case No. Case No. 2014.1417R
 925-945 Folsom Street – SFFD Station No. 1 (location of easement)
 923 Folsom Street (recipient of easement)
Block/Lot No.: 3753/131 (Fire Station)
 3753/106, 141, and 142 (Development Project)
Project Sponsor: John Updike
 City and County of San Francisco
 Real Estate Division
 25 Van Ness Ave., Suite 400
 San Francisco, CA 94102

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

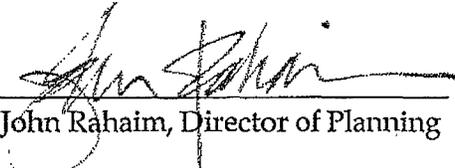
Applicant: Same as Above
Staff Contact: Mat Snyder – (415) 575-6891
mathew.snyder@sfgov.org

RECEIVED

OCT 06 2014

REAL ESTATE DIV.

Recommendation: Finding the project, on balance, is in conformity with the General Plan

Recommended By: 
 John Rahaim, Director of Planning

PROJECT DESCRIPTION

The proposed project calls for the conveyance of tieback easements and a temporary construction easement from the City and Country of San Francisco ("City") required for the construction of a new development project located at 923 Folsom Street. The Project will impact Assessor's Block 925-945 Folsom Street, Lot 131, owned by the City and under the jurisdiction of the San Francisco Fire Department. In order to prevent cave-in of the soils around the perimeter of the construction pit during excavation, a shoring system using soldier cement walls and tiebacks will be built. These temporary tiebacks will be placed on City property below the surface. In addition, limited surface access rights will be granted to Trumark Homes, LLC, to be used as staging area during the construction of the development. The submittal is for a General Plan Referral to recommend whether the Project is in conformity with the General Plan, pursuant to Section 4.105 of the Charter, and Section 2A.52 and 2A.53 of the Administrative Code.

SITE DESCRIPTION AND PRESENT USE

The location of the easement is at 925-945 Folsom Street, the SFFD Station No. 1. The location of the new development, which would be recipient of the easement, is at 923 Folsom Street and includes three existing lots (Lots 141, 142, and 106). The development site has frontages on both Folsom Street on its north and Shipley Street on its south. The previous use had been a two story office building and is now planned for a mixed use development, which will include a nine-story, 85-foot building facing Folsom street, and a four-story, 44-foot tall building facing Shipley. All together the project will include approximately 114 dwelling units, approximately 1,560 square feet of commercial space, 80 off-street parking spaces, and 114 bicycle parking spaces.

ENVIRONMENTAL REVIEW

On September 22, 2014, the Environmental Planning Section of the Planning Department determined that the Project has a certified Environmental Impact Report case number: 2011.0275E dated November 10, 2011. This project is within the scope of the EIR.

GENERAL PLAN COMPLIANCE AND BASIS FOR RECOMMENDATION

As described below, the Project is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, **in-conformity** with the following Objectives and Policies of the General Plan:

Note: General Plan Objectives and Policies are in **bold font**; General Plan text is in regular font. Staff comments are in *italic font*.

COMMUNITY SAFETY ELEMENT

OBJECTIVE 2

Reduce structural and non-structural hazards to life safety, minimize property damage and resulting social, cultural and economic dislocations resulting from future disasters.

POLICY 2.3

Consider site soils conditions when reviewing projects in areas subject to liquefaction or slope instability.

In order to prevent cave-in of the soils around the perimeter of the construction pit during excavation, a shoring system using soldier beams, soldier cement walls, and tiebacks needs to be built.

<p>RECOMMENDATION: Finding the Project, on balance, in-conformity with the General Plan</p>

PROPOSITION M FINDINGS – PLANNING CODE SECTION 101.1

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The Project, the construction of a new mixed use development, is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

Eight Priority Policies Findings

The subject project is found to be consistent with the Eight Priority Policies of Planning Code Section 101.1 in that:

The proposed project is found to be consistent with the eight priority policies of Planning Code Section 101.1 in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced.

Project would have no adverse effect on neighborhood serving retail uses or opportunities for employment in or ownership of such businesses.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhood.

The Project would have no adverse effect on the City's housing stock or on neighborhood character. The proposed project would increase the City's housing stock by approximately 141 units.

3. That the City's supply of affordable housing be preserved and enhanced.

The Project would have no adverse effect on the City's supply of affordable housing. The project is subject to the Below Market Rate housing program, and will provide 14 new affordable units on-site.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project would have no adverse effect on MUNI.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for residential employment and ownership in these sectors be enhanced.

The Project would not affect the existing economic base in this area.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project would not adversely affect achieving the greatest possible preparedness against injury and loss of life in an earthquake.

7. That landmarks and historic buildings be preserved.

This project will not have a negative impact to the building.

8. That our parks and open space and their access to sunlight and vistas be protected from development.

The Project would have no adverse effect on parks and open space or their access to sunlight and vista.

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